

2580 Creekview Road Moab, Utah 84532 435/719-2018 435/719-2019 Fax

May 29, 2008

Diana Mason State of Utah Division of Oil Gas and Mining P.O. Box 145801 Salt Lake City, Utah 84114-5801

RE: Application for Permit to Drill-XTO Energy, Inc.

AP 14-2J

513' FSL & 2,083' FWL, SE/4 SW/4, Section 2, T11S, R19E, SLB&M, Uintah County, Utah

Dear Diana:

On behalf of XTO Energy, Inc., Buys & Associates, Inc., respectfully submits the enclosed original and one copy of the Application for Permit to Drill (APD) for the above referenced SITLA surface and mineral vertical well. Included with the APD is the following supplemental information:

Exhibit "A" - Survey plats, layouts and photos of the proposed well site;

Exhibit "B" - Proposed location maps with access and utility corridors;

Exhibit "C" - Production site layout;

Exhibit "D" - Drilling Plan;

Exhibit "E" - Surface Use Plan with APD Certification;

Exhibit "F" - Typical BOP and Choke Manifold diagram;

Exhibit "G" - Cultural and Paleontological Clearance Reports.

Thank you very much for your timely consideration of this application. Please feel free to contact myself or Ken Secrest of XTO Energy, Inc. at 435-722-4521 if you have any questions or need additional information.

Sincerely,

Don Hamilton

Agent for XTO Energy, Inc.

cc: Jim Davis, SITLA

Fluid Mineral Group, BLM—Vernal Field Office Ken Secrest, XTO Energy, Inc.

RECEIVED

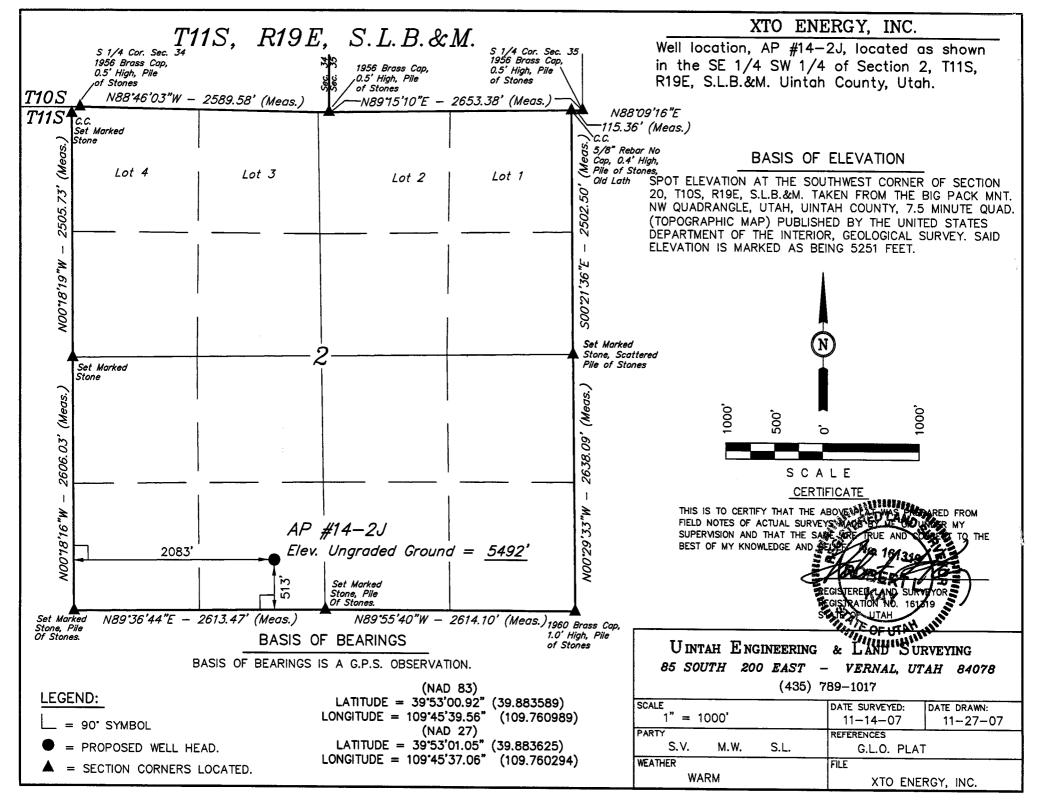
JUN 0 3 2008

FORM 3

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT	
(highlight changes)	

							ML-36213	State	
1A. TYPE OF WORK: DRILL Z REENTER DEEPEN D							7. IF INDIAN, ALLOTTEE OR N/A	TRIBE NAME:	
B. TYPE OF WELL: OIL GAS OTHER SINGLE ZONE MULTIPLE ZONE							8. UNIT OF CA AGREEMENT N/A	IAME:	
2. NAME OF OPERATOR: XTO Energy, Inc.							9. WELL NAME and NUMBER AP 14-2J		
3. ADDRESS OF PO Box 13	OPERATOR:	CITY Roosevel	<u> </u>	E UT ZIP 840	PHONE NUMBER: (405) 749-5263		10. FIELD AND POOL, OR W		
4. LOCATION OF					9.883624		11. QTR/QTR, SECTION, TOV		
AT SURFACE:	513' FSL		SESW 2 115	S 19E S					
AT PROPOSED	PRODUCING ZO	ONE:	77100	441	-109.760361				
		ECTION FROM NEAREST		ST OFFICE:			12. COUNTY:	13. STATE: UTAH	
		est of Ouray, Uta		16. NUMBER OF	ACRES IN LEASE:	17. N	Uintah UMBER OF ACRES ASSIGNED	TO THIS WELL:	
513'		, 2,,,, 6,, 2,,,,,,,,,,,,,,,,,,,,,,,,,,	,		625.62			40	
	O NEAREST WEL R) ON THIS LEAS	LL (DRILLING, COMPLETE SE (FEET)	O, OR	19. PROPOSED			OND DESCRIPTION:		
1,200'	(SHOW WHETH	ER DF, RT, GR, ETC.):		22 APPROXIMA	9,641		TLA Blanket 10431: STIMATED DURATION:	2 762	
5,492' GF	••	2.07, 10.7, 2.10.7		8/15/200			days		
24.			PROPOSI	ED CASING AI	ND CEMENTING PROGRAM	•			
SIZE OF HOLE	CASING SIZE	GRADE, AND WEIGHT P	ER FOOT	SETTING DEPTH	CEMENT TYPE, QUA	ANTITY,	YIELD, AND SLURRY WEIGHT		
12-1/4"	9-5/8"	J-55 ST	36#	2,200	see Drilling Plan				
7-7/8"	5-1/2"	N-80 LT	17#	9,641	see Drilling Plan				
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		· · · · · · · · · · · · · · · · · · ·							
									
25.				ATTA	CHMENTS				
VERIFY THE FO	LOWING ARE A	TTACHED IN ACCORDANG	E WITH THE U	ITAH OIL AND GAS C	ONSERVATION GENERAL RULES:				
WELL PL	AT OR MAP PRE	PARED BY LICENSED SU	RVEYOR OR E	NGINEER	COMPLETE DRILLING PLAN				
EVIDEN	CE OF DIVISION	OF WATER RIGHTS APPR	OVAL FOR USE	E OF WATER	FORM 5, IF OPERATOR IS PE	RSON (OR COMPANY OTHER THAN TI	HE LEASE OWNER	
NAME (O) 5405	NAME (PLEASE PRINT) Don Hamilton TITLE Agent for XTO Energy, Inc.								
The state of the s									
SIGNATURE	SIGNATURE DATE 5/29/2008 Approved by the								
(This space for Sta	te use only)				Division of				
· · · · · · · · · · · · · · · · · · ·							RECEIVED)	
API NUMBER AS	SIGNED:	43-047-401	04	Date: Of	APPROVACE (\		JUN 0 3 2008		
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(11/2001)				By (See Mistro this	DED FREDERIC BION	101	TO TO COLO ST INITIA	11 TU	



XTO ENERGY INC.

AP 14-2J APD Data May 29, 2008

State: Utah Location: 513' FSL & 2083' FWL, Sec. 2, T11S,R19E County: Uintah

OBJECTIVE: Wasatch/Mesaverde GREATEST PROJECTED TD: 9641' MD

Est KB ELEV: 5506' (14' AGL) APPROX GR ELEV: 5492'

MUD PROGRAM:

INTERVAL	0' to 2200'	2200' to 9641'		
HOLE SIZE	12.25"	7.875"		
MUD TYPE FW/Spud Mud		KCl Based LSND / Gel Chemica		
WEIGHT	8.4	8.6-9.20		
VISCOSITY NC		30-60		
WATER LOSS	NC	8-15		

Remarks: Use fibrous materials as needed to control seepage and lost circulation. Pump high viscosity sweeps as needed for hole cleaning. Raise viscosity at TD for logging. Reduce viscosity after logging for cementing purposes. The mud system will be monitored visually/manually.

CASING PROGRAM:

9.625" casing set at \pm 2200' in a 12.25" hole filled with 8.4 ppg mud **Surface Casing:**

					Coll	Burst						
					Rating	Rating	Jt Str	ID	Drift	SF	SF	SF
Interval	Length	Wt	Gr	Cplg	(psi)	(psi)	(M-lbs)	(in)	(in)	Coll	Burst	Ten
0'-2200'	2200'	36#	J-55	ST&C	2020	3.66	394	8.921	8.765	2.10	3.66	4.97

Production Casing: 5.5" casing set at ± 9641 ' in a 7.875" hole filled with 9.2 ppg mud.

					Coll	Burst		·				
					Rating	Rating	Jt Str	ID	Drift	SF	SF	SF
Interval	Length	Wt	Gr	Cplg	(psi)	(psi)	(M-lbs)	(in)	(in)	Coll	Burst	Ten
0'-9641'	9641'	17#	N-80	LT&C	6280	7740	348	4.892	4.767	1.72	2.12	2.12

Collapse and burst loads calculated at TVD with 0.1 psi/ft gas gradient back up.

WELLHEAD: 3.

- A. Casing Head: Larkin Fig 92 (or equivalent), 9" nominal, 2,000 psig WP (4,000 psig test) with 9-5/8" 8rnd thread on bottom (or slip-on, weld-on) and 11-3/4" 8rnd thread on top.
- B. Tubing Head: Larkin Fig 612 (or equivalent), 6.456" nominal, 5,000 psig WP, 5-1/2" 8rnd female thread on bottom (or slip-on, weld-on), 8-5/8" 8rnd thread on top.

CEMENT PROGRAM:

9.625", 36#, J-55, ST&C casing to be set at ±2200' in 12.25" hole. A. Surface:

LEAD:

±183 sx of Type V cement (or equivalent) typically containing accelerator and LCM mixed at 11.0 ppg, 3.82 cu. ft./sk..

TAIL:

225 sx of Class G (or equivalent) typically containing accelerator and LCM mixed at 15.8 ppg, 1.15 cu. ft./sk.

Total estimated slurry volume for the 9.625" surface casing is 956.5 ft³. Slurry includes 35% excess of calculated open hole annular volume to 2200'.

B. Production: 5.5", 17#, N-80 (or equiv.), LT&C casing to be set at ±9641' in 7.875" hole.

LEAD:

±499 sx of Premium Plus V Blend. (Type V/Poz/Gel) or equivalent, with dispersant, fluid loss, accelerator, & LCM mixed at 11.6 ppg, 3.12 ft³/sk, 17.71 gal wtr/sx.

TAIL:

300 sx Class G or equivalent cement with poz, bonding additive, LCM, dispersant, & fluid loss mixed at 13.0 ppg, 1.75 cuft/sx, 9.09 gal/sx.

Total estimated slurry volume for the 5.5" production casing is 2080 ft^3 . Slurry includes 15% excess of calculated open hole annular volume.

Note: The slurry design may change slightly based upon actual conditions. Final cement volumes will be determined from the caliper logs plus 15% or greater excess. The cement is designed to circulate on surface casing string.

5. LOGGING PROGRAM:

- A. Mud Logger: The mud logger will come on at surface casing point and will remain on the hole until TD. The mud will be logged in 10' intervals.
- B. Open Hole Logs as follows: Run Array Induction/SFL/GR/SP fr/TD (9641') to the bottom of the surface csg. Run Neutron/Lithodensity/Pe/GR/Cal from TD (9641') to 2200'.

6. FORMATION TOPS:

FORMATION	Sub-Sea Elev. (@SHL)	TVD (@SHL)
Green River	4,660	851
Mahogany Bench Mbr.	3,830	1,681
Wasatch Tongue	1,780	3,731
Green River Tongue	1,430	4,081
Wasatch*	1,270	4,241
Chapita Wells*	435	5,076
Uteland Buttes	-765	6,276
Mesaverde*	-1,560	7,071
Castlegate	N/A	N/A
TD**	-4,130	9,641

^{*} Primary Objective

7. ANTICIPATED OIL, GAS, & WATER ZONES:

A.

Formation	Expected Fluids	Well Depth Top
Green River	Water/Oil Shale	851
Mahogoany Bench Mbr.	Water/Oil Shale	1,681
Wasatch Tongue	Oil/Gas/Water	3,731
Green River Tongue	Oil/Gas/Water	4,081
Wasatch*	Gas/Water	4,241
Chapita Wells*	Gas/Water	5,076
Uteland Buttes	Gas/Water	6,276
Mesaverde*	Gas/Water	7,071
Castlegate	Gas/Water	N/A

- B. Appropriately weighted mud will be used to isolate potential gas, oil, and water zones until such time as casing can be cemented into place for zonal isolation.
- C. There are no known potential sources of H₂S.
- D. Expected bottom hole pressures are between 4100 psi and 4600 psi.
- E. Base of Moderately Saline Water (USGS) at 3716'.

8. BOP EQUIPMENT:

Surface will not utilize a bop stack.

Production hole will be drilled with a 3000 psi BOP stack.

Minimum specifications for pressure control equipment are as follows:

Ram Type: 11" Hydraulic double ram with annular, 3000 psi w.p.

Ram type preventers and associated equipment shall be tested to approved stack working pressure if isolated by test plug or to 70% of internal yield pressure of casing. Pressure shall be maintained for at least 10 minutes or until requirements of test are met, whichever is longer. If a test plug is utilized, no bleed-off pressure is acceptable. For a test not utilizing a test plug, if a decline in pressure of more than 10% in 30 minutes occurs, the test shall be considered to have failed. Valve on casing head below test plug shall be open during test of BOP stack.

Annular type preventers (if used) shall be tested to 50% of rated working pressure. Pressure shall be maintained at least 10 minutes or until provisions of test are met, whichever is longer.

As a minimum, the above test shall be performed:

- a. when initially installed:
- b. whenever any seal subject to test pressure is broken
- c. following related repairs: and
- d. at 30 day intervals

Valves shall be tested from working pressure side during BOPE tests with all down stream valves open.

When testing the kill line valve(s) shall be held open or the ball removed.

Annular preventers (if used) shall be functionally operated at least weekly.

Pipe and blind rams shall be activated each trip, however, this function need not be performed more than once a day.

A BOPE pit level drill shall be conducted weekly for each drilling crew.

The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No.2 for equipment and testing requirements, procedures, etc., and individual components shall be operable as designed. Chart recorders shall be used for all pressure tests. Pressure tests shall apply to all related well control equipment.

BOP systems shall be consistent with API RP53. Pressure tests will be conducted before drilling out from under casing strings which have been set and cemented in place. Test pressures for BOP equipment are as follows:

Annular BOP -- 1500 psi
Ram type BOP -- 3000 psi
Kill line valves -- 3000 psi
Choke line valves and choke manifold valves -- 3000 psi
Chokes -- 3000 psi
Casing, casinghead & weld -- 1500 psi
Upper kelly cock and safety valve -- 3000 psi
Dart valve -- 3000 psi

Blowout preventer controls will be installed prior to drilling the surface casing plug and will remain in use until the well is completed or abandoned. Preventers will be inspected and operated at least daily to ensure good mechanical working order, and this inspection will be recorded on the daily drilling report. Preventers will be pressure tested before drilling casing cement plugs.

The BLM in Vernal, UT shall be notified, at least 24 hours prior to initiating the pressure test, in order to have a BLM representative on location during pressure testing.

- a. The size and rating of the BOP stack is shown on the attached diagram.
- b. A choke line and a kill line are to be properly installed.
- c. The accumulator system shall have a pressure capacity to provide for repeated operation of hydraulic preventers.
- d. Drill string safety valve(s), to fit all tools in the drill string, are to be maintained on the rig floor while drilling operations are in progress.
- e. See attached BOP & Choke manifold diagrams.

9. COMPANY PERSONNEL:

Name Name	<u>Title</u>	<u>Office Phone</u>	<u>Home Phone</u>
John Egelston	Drilling Engineer	505-333-3163	505-330-6902
Bobby Jackson	Drilling Superintendent	505-333-3224	505-486-4706
Glen Christiansen	Project Geologist	817-885-2800	

SURFACE USE PLAN

Name of Operator:

XTO Energy, Inc.

Address:

P.O. Box 1360; 978 North Crescent

Roosevelt, Utah 84066

Well Location:

AP 14-2J

513' FSL & 2,083' FWL, SE/4 SW/4,

Section 2, T11S, R19E, SLB&M, Uintah County, Utah

The surface owner or surface owner representative and dirt contractor will be provided with an approved copy of the surface use plan of operations and approved conditions of approval before initiating construction.

The onsite inspection for the referenced well is pending at this time.

1. Location of Existing Roads:

- a. The proposed well site is located approximately 14.81 miles southwest of Ouray, Utah.
- b. Directions to the proposed well site have been attached at the end of Exhibit B.
- c. The use of roads under State and County Road Department maintenance are necessary to access the AP area. However, no upgrades to the State or County Road system are proposed at this time.
- d. A Uintah County Road department encroachment is not needed to access this well.
- e. All existing roads will be maintained and kept in good repair during all phases of operation.
- e. Vehicle operators will obey posted speed restrictions and observe safe speeds commensurate with road and weather conditions.
- f. Since no improvements are anticipated to the State, County, Tribal or BLM access roads no topsoil striping will occur.
- g. All disturbances (wellsite, access and pipeline corridors) is contained within the existing SITLA lease boundary with no additional SITLA or Federal surface use required.

2. Planned Access Roads:

- a. From the existing AP 5-2J access road a new access is proposed trending west approximately 0.25 miles along new disturbance to the proposed well site. The access crosses no significant drainages.
- b. A road design plan is not anticipated at this time.
- c. The proposed access road will consist of a 24' travel surface within a 30' disturbed area across entirely Alameda surface.
- SITLA approval to construct and utilize the proposed access road is requested with this application.
- e. A maximum grade of 10% will be maintained throughout the project.
- f. No turnouts are proposed since adequate site distance exists in all directions.
- g. No low-water crossings and no culverts are anticipated. Adequate drainage structures will be incorporated into the road.
- h. No surfacing material will come from federal or Indian lands.
- i. No gates or cattle guards are anticipated at this time.
- Surface disturbance and vehicular travel will be limited to the approved location access road.
- k. The operator will be responsible for all maintenance of the access road including drainage structures.

Location of Existing Wells:

a. Exhibit B has a map reflecting these wells within a one mile radius of the proposed well.

4. Location of Existing and/or Proposed Production Facilities:

- a. All permanent structures will be painted a flat, non-reflective Covert Green /Carlsbad Canyon to match the standard environmental colors. All facilities will be painted within six months of installation. Facilities required to comply with the Occupational Safety and Health Act (OSHA) may be excluded.
- Site security guidelines identified in 43 CFR 3163.7-5 and Onshore Oil and Gas Order No. 3 will be adhered to.
- c. A gas meter run will be constructed and located on lease within 500 feet of the wellhead. Meter runs will be housed and/or fenced. All gas production and measurement shall comply with the provisions of 43 CFR 3162. 7-3, Onshore Oil and Gas Order No. 5, and American Gas Association (AGA) Report No. 3.
- d. A tank battery will be constructed on this lease, it will be surrounded by a dike of sufficient capacity to contain the storage capacity of the largest tank. All loading lines and valves will be placed inside the berm surrounding the tank battery. All liquid hydrocarbons production and measurement shall conform to the provisions of 43 CFR 3162.7-3 and Onshore Oil and Gas Order No. 4 and Onshore Oil and Gas Order No. 5 for natural gas production and measurement.

- e. Any necessary pits will be properly fenced to prevent any wildlife and livestock entry.
- f. All access roads will be maintained as necessary to prevent erosion and accommodate year-round traffic. The road will be maintained in a safe useable condition.
- g. The site will require periodic maintenance to ensure that drainages are kept open and free of debris, ice, and snow, and that surfaces are properly treated to reduce erosion, fugitive dust, and impacts to adjacent areas.
- h. A pipeline corridor containing a single steel gas pipeline and a single steel or poly pipe water pipeline is associated with this application and is being applied for at this time. The proposed pipeline corridor will leave the south side of the well site and traverse 1,268' east to the existing AP 5-2J pipeline corridor.
- i. XTO Energy, Inc. also requests permission to upgrade the existing pipeline corridor to contain a single steel gas pipeline and a single steel or poly pipe water pipeline within the previously approved pipeline corridor and traverse between the existing AP 5-2J and the east line of Section 2 along the previously approved route. The federal segment will be upgraded through a separate right-of-way amendment
- j. The new and upgraded segments of the gas pipeline will be a 12" or less buried line and the water pipeline will be a 12" or less buried line within a 45' wide disturbed pipeline corridor.
- k. Construction of the pipeline corridor will temporarily utilize the 30' disturbed width for the road for a total disturbed width of 75' for the road and pipeline corridors. The use of the proposed well site and access roads will facilitate the staging of the pipeline corridor construction.
- XTO Energy, Inc. intends to bury the pipeline where possible and connect the pipeline together utilizing conventional welding technology.

Location and Type of Water Supply:

- a. No water supply pipelines will be laid for this well.
- b. No water well will be drilled for this well.
- c. Drilling water for this will be hauled on the road(s) shown in Exhibit B.
- d. Water will be hauled from one of the following sources:
 - Water Permit # 43-10991, Section 9, T8S, R20E;
 - Water Permit #43-2189, Section 33, T8S, R20E;
 - Water Permit #49-2158, Section 33, T8S, R20E;
 - Water Permit #49-2262, Section 33, T8S, R20E;
 - Water Permit #49-1645, Section 5, T9S, R22E;
 - Water Permit #43-9077, Section 32, T6S, R20E;
 - o Tribal Resolution 06-183, Section 22, T10S, R20E;

6. Source of Construction Material:

- a. The use of materials will conform to 43 CFR 3610.2-3.
- b. No construction materials will be removed from Ute Tribal or BLM lands.
- c. If any gravel is used, it will be obtained from a state approved gravel pit.

Methods of Handling Waste:

- a. All wastes associated with this application will be contained and disposed of utilizing approved facilities.
- b. Drill cuttings will be contained and buried on site.
- c. The reserve pit will be located outboard of the location and along the southwest side of the pad.
- d. The reserve pit will be constructed so as not to leak, break, or allow any discharge.
- e. The reserve pit will be lined with 16 mil minimum thickness plastic nylon reinforced liner material. The liner will overlay a felt liner pad only if rock is encountered during excavation. The pit liner will overlap the pit walls and be covered with dirt and/or rocks to hold it in place. No trash, scrap pipe, etc., that could puncture the liner will be disposed of in the pit. Pit walls will be sloped no greater than 2:1. A minimum 2-foot freeboard will be maintained in the pit at all times during the drilling and completion operation.
- f. The reserve pit has been located in cut material. Three sides of the reserve pit will be fenced before drilling starts. The fourth side will be fenced as soon as drilling is completed, and shall remain until the pit is dry. After the reserve pit has dried, all areas not needed for production will be rehabilitated.
- g. No chemicals subject to reporting under SARA Title III (hazardous materials) in an amount greater than 10,000 pounds will be used, produced, stored, transported, or disposed of annually in association with the drilling, testing, or completion of the well. Furthermore, no extremely hazardous substances, as defined in 40 CFR 355, in threshold planning quantities, will be used, produced, stored, transported, or disposed of in association with the drilling, testing, or completion of the well.
- h. Trash will be contained in a trash cage and hauled away to an approved disposal site as necessary but no later than at the completion of drilling operations. The contents of the trash container will be hauled off periodically to the approved Uintah County Landfill near Vernal, Utah.
- i. Produced fluids from the well other than water will be produced into a test tank until such time as construction of production facilities is completed. Any spills of oil, gas, salt water or other produced fluids will be cleaned up and removed.
- j. After initial clean-up, a 400 bbl tank will be installed to contain produced waste water. This water will be transported from the tank to an approved XTO Energy, Inc. disposal well for disposal.
- k. Produced water from the production well will be disposed of at the RBU 13-11F or RBU 16-19F disposal wells in accordance with Onshore Order #7.
- Any salts and/or chemicals, which are an integral part of the drilling system, will be disposed of in the same manner as the drilling fluid.

m. Sanitary facilities will be on site at all times during operations. Sewage will be placed in a portable chemical toilet and the toilet replaced periodically utilizing a licensed contractor to transport by truck the portable chemical toilet so that its contents can be delivered to the Vernal Wastewater Treatment Facility in accordance with state and county regulations.

8. Ancillary Facilities:

- a. Garbage Containers and Portable Toilets are the only ancillary facilities proposed in this application.
- b. No camps, airstrips or staging areas are proposed with this application.

9. Well Site Layout: (See Exhibit B)

- a. The well will be properly identified in accordance with 43 CFR 3162.6.
- b. Access to the well pad will be from the south.
- c. The pad and road designs are consistent with DOGM specification
- d. A pre-construction meeting with responsible company representative, contractors, and the landowner representative will be conducted at the project site prior to commencement of surface-disturbing activities. The pad and road will be constructionstaked prior to this meeting.
- e. The pad has been staked at its maximum size; however it will be constructed smaller if possible, depending upon rig availability. Should the layout change, this application will be amended and approved utilizing a sundry notice.
- f. All surface disturbing activities, will be supervised by a qualified, responsible company representative who is aware of the terms and conditions of the APD and specifications in the approved plans.
- g. All cut and fill slopes will be such that stability can be maintained for the life of the activity.
- h. Diversion ditches will be constructed as shown around the well site to prevent surface waters form entering the well site area.
- The site surface will be graded to drain away from the pit to avoid pit spillage during large storm events.
- j. The stockpiled topsoil (first 6 inches or maximum available) will be stored in a windrow on the uphill side of the location to prevent any possible contamination. All topsoil will be stockpiled for reclamation in such a way as to prevent soil loss and contamination.
- k. Pits will remain fenced until site cleanup.
- I. The blooie line will be located at least 100 feet from the well head.
- m. Water injection may be implemented if necessary to minimize the amount of fugitive dust.

10. Plans for Restoration of the Surface (Interim Reclamation and Final Reclamation):

- a. Site reclamation for a producing well will be accomplished for portions of the site not required for the continued operation of the well.
- b. Upon well completion, any hydrocarbons in the pit shall be removed in accordance with DOGM requirements. Once the reserve pit is dry, the plastic nylon reinforced liner shall be torn and perforated before backfilling of the reserve pit. The reserve pit and that portion of the location not needed for production facilities/operations will be re-contoured to the approximate natural contours.
- c. Following Best Management Practices the interim reclamation will be completed within 90 days of completion of the well to reestablish vegetation, reduce dust and erosion and compliment the visual resources of the area.
 - a. All equipment and debris will be removed from the area proposed for interim reclamation and the pit area will be backfilled and re-contoured.
 - b. The area outside of the rig anchors and other disturbed areas not needed for the operation of the well will be re-contoured to blend with the surrounding area and reseeded as requested by the landowner.
 - c. Reclaimed areas receiving incidental disturbance during the life of the producing well will be re-contoured and reseeded as soon as practical.
- d. The Operator will control noxious weeds along access road use authorizations, pipeline route authorizations, well sites, or other applicable facilities by spraying or mechanical removal. A list of noxious weeds may be obtained from the SITLA or the appropriate County Extension Office.
- e. Prior to final abandonment of the site, all disturbed areas, including the access road, will be scarified and left with a rough surface. The site will then be seeded and/or planted as prescribed by the landowner.

11. Surface and Mineral Ownership:

- a. Surface Ownership State of Utah under the management of the SITLA -State Office, 675 East 500 South, Suite 500, Salt Lake, City, Utah 84102-2818; 801-538-5100.
- b. Mineral Ownership State of Utah under the management of the SITLA -State Office, 675 East 500 South, Suite 500, Salt Lake, City, Utah 84102-2818; 801-538-5100.

12. Other Information:

a. Operators Contact Information:

Title	Name	Office Phone	Mobile Phone	<u>e-mail</u> .
Company Rep.	Ken Secrest		435-828-1450 Ke	en_Secrest@xtoenergy.com
Agent	Don Hamilton		435-719-2018 st	arpoint@etv.net

- b. Buys & Associates, Inc. has conducted a Class III archeological survey. A copy of the report is attached and has also been submitted under separate cover to the appropriate agencies by Buys & Associates, Inc.
- c. Alden Hamblin has conducted a paleontological survey. A copy of the report is attached and has also been submitted under separate cover to the appropriate agencies by Alden Hamblin.

Certification:

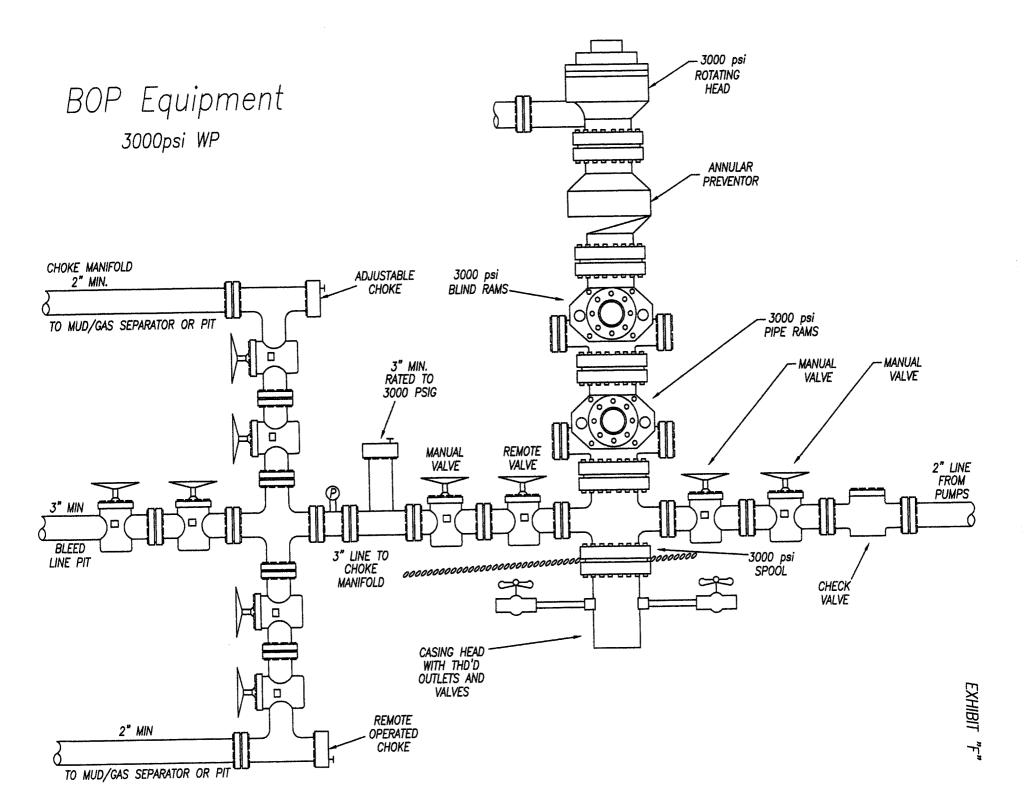
I hereby certify that I, or someone under my direct supervision, have inspected the drill site and access route proposed herein; that I am familiar with the conditions which currently exists; that I have full knowledge of state and Federal laws applicable to this operation; that the statements made in this APD package are, to the best of my knowledge, true and correct; and that the work associated with the operations proposed herein will be performed in conformity with this APD package and the terms and conditions under which it is approved. I also certify that I, or the company I represent, am responsible for the operations conducted under this application and that bond coverage is provided under XTO Energy, Inc's SITLA bond 104312-762.

Executed this 29th day of May, 2008.

Don Hamilton - Agent for XTO Energy, Inc.

2580 Creekview Road Moab, Utah 84532

435-719-2018 starpoint@etv.net



CLASS III CULTURAL RESOURCE INVENTORY OF XTO ENERGY'S PROPOSED ALGERS PASS LOCATION #14-2J, ASSOCIATED ACCESS ROAD, AND PIPELINE

UINTAH COUNTY, UTAH

Author:

Shina duVall, Cultural Resource Specialist

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CONFIDENTIALITY NOTICE:

Section 304 of the National Historic Preservation Act (16 U.S.C. 470w-3[a]) and Section 9 of the Archaeological Resources Protection Act of 1979 (16 U.S.C. 470hh) establish regulations regarding the confidentiality of information concerning the nature and location of archaeological resources. Therein is stated that information concerning the nature and location of any archaeological resource may not be made available to the public unless the Federal land manager concerned determines that such disclosure would not create a risk of harm to such resources or to the site at which such resources are located, or impede the use of a traditional religious site by practitioners.

As such, to the extent permitted by law, all information on archaeological resources and their locations gathered and presented with regard to the proposed project will be treated as confidential. All parties associated with the proposed project will ensure (1) that all information regarding specific site locations is kept confidential except for disclosures required by law or necessary to carry-out protection of sites; (2) that specific site locations are not included in any document made available to the general public; and (3) this information shall not be utilized by the requestor to destroy, excavate, or vandalize resources.

ABSTRACT

A Class III cultural resource inventory was conducted by Buys & Associates, Inc. in April 2008 for XTO Energy's proposed well location #14-2J, associated access road, and pipeline. The Project Area is located near Wild Horse Bench, just southeast of Kings Canyon and just north of Peter Post Canyon in the Uinta Basin, Uintah County, Utah. The legal location of the Project Area is Section 2, Township 11S, Range 19E. The total area of survey included 21.75 acres on land administered by the State Institutional Lands Trust Administration.

The results of the Class I inventory indicated that 21 previous cultural resource inventories had been conducted within 1 mile of the Project Area. These previous inventories resulted in the identification of four archaeological sites (42Un4595, 42Un4812, 42Un4998, 42Un5007), within 1 mile of the Project Area. Two of these sites (42Un4812 and 42Un4998) were determined to be eligible for listing on the NRHP. However, neither of these previously recorded sites is located in the Project Area. No new cultural resources were recorded as a result of this inventory.

No avoidance or mitigation measures are recommended for the proposed project as there will be no effects to any historic properties as a result of the undertaking. Therefore, a determination of "no historic properties affected" is proposed for the project pursuant to Section 106 of the National Historic Preservation Act (36 CFR 800).

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1. INTRODUCTION

Buys & Associates, Inc. (B&A) conducted this Class III cultural resource inventory of XTO Energy's proposed well location #14-2J, associated access road and pipeline. The Project Area is located near Wild Horse Bench, just southeast of Kings Canyon and just north of Peter Post Canyon in the Uinta Basin, Uintah County, Utah. The legal location of the Project Area is in Section 2, Township 11S, Range 19E (**Figure 1.1**). The total area of survey included 21.75 acres on land administered by the State Institutional Lands Trust Administration (SITLA).

This cultural resource inventory was conducted in compliance with Federal and State legislation including Section 106 of the National Historic Preservation Act of 1966 (as amended) (NHPA), the National Environmental Policy Act of 1969, the Archaeological and Historic Preservation Act of 1974, the Archaeological Resources Protection Act of 1979 (ARPA), and the American Indian Religious Freedom Act of 1978. The NHPA sets forth national policy and procedures regarding "historic properties"—that is, regions, sites, buildings, structures, and objects included in or eligible for the National Register of Historic Places (NRHP). Section 106 of the NHPA requires Federal agencies to consider the effects of their undertakings on such properties, following regulations issued by the Advisory Council on Historic Preservation (ACHP) (36 CFR 800).

Criteria for evaluating the significance of resources for listing on the NRHP are outlined in 36 CFR 800.10, "National Register Criteria." The quality of significance in American history, architecture, archaeology, engineering, and culture is present in districts, sites, buildings, structures, and objects that possess integrity of location, design, setting, materials, workmanship, feeling, and association, and:

- a) that are associated with events that have made a significant contribution to the broad patterns of our history;
- b) that are associated with the lives of persons significant in our past;
- c) that embody the distinctive characteristics of a type, period, or method of construction, or represent the work of a master, or that possess high artistic values, or that represent a significant and distinguishable entity whose components may lack individual distinction; and
- d) that have yielded, or may be likely to yield, information important in prehistory or history.

This Class III cultural resource inventory was conducted by Stephen Snyder of B&A on April 16, 2008. The records search was conducted by Marty Thomas at the Division of State History, Salt Lake City, Utah on April 7, 2008. Shina duVall, MA, served as the principal investigator. Stephen Snyder served as the Field Supervisor. All field notes and photographs are on file at B&A's office in Littleton, Colorado under project number U-07-390-14-0054.

The results of the Class I inventory indicated that 21 previous cultural resource inventories had been conducted within 1 mile of the Project Area. These previous

inventories resulted in the identification of four archaeological sites (42Un4595, 42Un4812, 42Un4998, 42Un5007), within 1 mile of the Project Area. Two of these sites (42Un4812 and 42Un4998) were determined to be eligible for listing on the NRHP. However, neither of these previously recorded sites is located in the Project Area. No new cultural resources were recorded as a result of this inventory.

2. ENVIRONMENT

The Uinta Basin and Uinta Mountains are located in the northeast corner of the State of Utah and are part of a larger physiographic area known as the Colorado Plateau. The Project Area is located near Wild Horse Bench, just southeast of Kings Canyon and just north of Peter Post Canyon in the Uinta Basin, Uintah County, Utah. The elevation of the Project Area ranges from approximately 5,350 to 5,650 feet. The topography consists of flat rocky ridges dissected by deep narrow canyons. It is characterized by raised, sloping benches or rides, incised ephemeral draws, and washes. Soils in the Project Area are shallow and consist of clay loams. Colluvium with some bedrock sandstone is also present. Drainage in the area is to the north with the Alger Pass drainages associated with Kings Canyon and the Willow Creek Unit drainages connected to Brown Canyon. Vegetation in the area includes Utah juniper, pinyon pine. black sagebrush, shadscale, galleta grass, Gardner's saltbush, prickly phlox, horsebrush, bud sage, American kochia, and cheat grass, with either pinyon-juniper or sagebrush as the dominant vegetation type. The Project Area and the Green River to the north and west provide habitat for numerous species of birds, mammals, reptiles. amphibians, fish, and invertebrates. Modern disturbances include oil and gas facilities and various roads.

3. CULTURE HISTORY

The prehistory of the Uinta Basin is complex and poorly understood because of its location at the intersection of the Great Basin, Colorado Plateau, and Northern Plains cultures. The cultural trajectory of change in the Uinta Basin has been generally categorized into five cultural-chronological periods, defined by Jennings (1986). These are the Paleoindian, Archaic, Formative (Fremont), Post Formative (Protohistoric), and Contact periods. The earliest evidence of a human presence in the area (during the Paleoindian period) dates back to approximately 12,000 years before present (B.P) during the terminal Pleistocene. This period is characterized by specialized hunting of big game animals, including the now-extinct species of mammoth and bison. Evidence for the Paleoindian presence in the Uinta Basin region comes from a few Clovis and Folsom projectile points and some Plano Complex lanceolate projectile points (Hauck 1998). However, these sparse isolated finds define the extent of the Paleoindian presence in the area, as few sites associated with the period have been sufficiently documented (Spangler 1995:332).

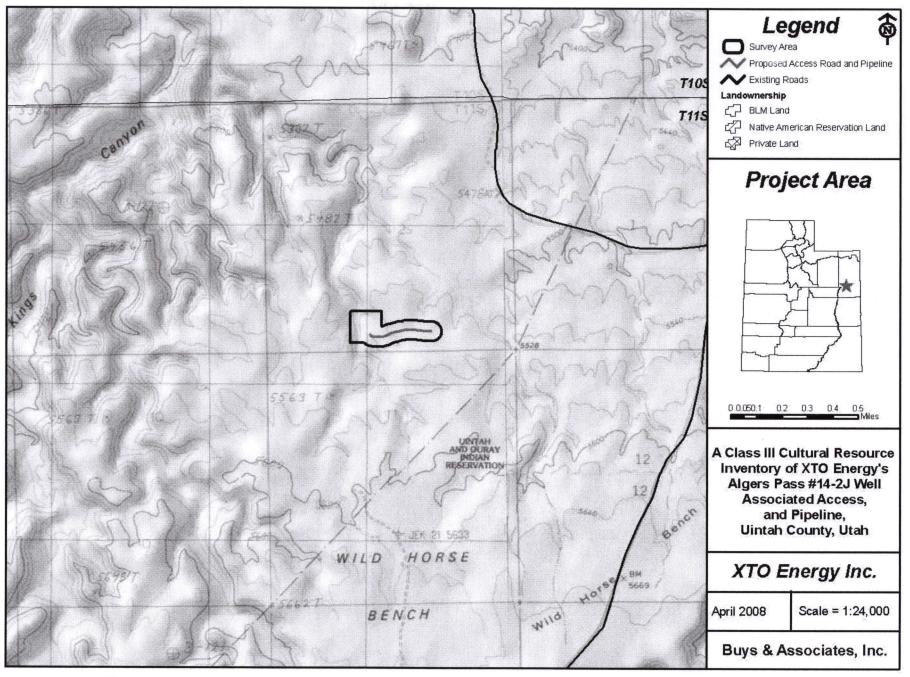


Figure 1.1 Location of XTO Energy's Proposed Algers Pass #14-2J, Associated Access Road and Pipeline.

The Archaic stage, which dates from approximately 8000 B.P. to 1500 B.P., is better represented in the archaeological record of the area. This period is further subdivided into the Early Archaic phase, which dates from approximately 8000 to 5000 B.P.; the Middle Archaic, which dates to approximately 5000 B.P. to 2500 B.P.; and the Late Archaic, which dates from approximately 2500 B.P. to 1450 B.P. In the Uinta Basin, there are few artifacts or sites dating to the Early Archaic, but the Middle and Late Archaic phases are better represented in the archaeological record (Holmer 1986). In comparison to the Paleoindian period, the Archaic period is characterized by increased foraging subsistence strategy. Archaic peoples exploited a wide variety of floral resources, and began hunting an array of smaller to medium-sized game animals such as cottontail rabbits, muskrats, birds, beavers, prairies dogs, deer, antelope, mule, and bighorn sheep. Archaic period cultural material includes an elaboration and expansion of the lithic toolkit with the introduction of new types of projectile points and the atlatl. Site types associated with the Archaic period include rock shelters, open-air campsites, plant gathering areas, and processing sites (Spangler 1995). The archaeological record indicates that the population in the Uinta Basin increased during the Middle Archaic period and continued to increase into the Late Archaic period. The first evidence of the construction of formal architectural features, such as semi-subterranean residential structures, and the beginnings of maize horticulture begin during the Late Archaic period.

The Formative period (Fremont) dates to approximately 2500 B.P. to annos domini (A.D.) 1400. During this period, the populations living in the Uinta Basin became more dependent on cultivated crops including corn, beans, and squash (Marwitt 1970). The Formative period is also marked by increased sedentism and the introduction of more elaborate and formal architectural features, such as shallow pithouse structures. Larger groups began occupying more permanent villages and some habitation sites appear to be positioned in strategic locations, such as atop buttes (Shields 1970). In addition, the Formative period, known in this area as the Uinta Fremont, witnessed the introduction of additional specialized technologies such as ceramics and the bow and arrow. The archaeology of Uinta Fremont architectural features has revealed evidence of postholes, hearths, two-handled wide-mouth vessels, and metates (Shields 1970).

The archaeological record indicates that the Formative period overlaps with the Post-Formative (Protohistoric) period as evidence suggests the arrival of Numic peoples in the area before the disappearance of Formative-period peoples (Reed 1994). Evidence of Numic (Ute and Shoshonean) artifacts and sites appears around approximately A.D. 1100. This transition from the Formative to the Post-Formative (Protohistoric) periods is characterized by a return to subsistence and settlement patterns that resembled the Archaic period trends, including more nomadic and semi-sedentary lifeways, and increased hunting and gathering. The exact nature, timing, and reasons for this transition and the apparent replacement of the rich and extensive Fremont culture and subsequent return to a more nomadic, hunting and gathering lifeway is unknown. Floral and faunal resources exploited by Numic-speaking peoples appear to have included goosefoot, grass seeds, pinyon nuts, juniper berries, squawbush berries and leaves, hackberry seeds, saltbush seeds, knotweed, chokecherry, chickweed, various small game, and deer, elk, pronghorn, and bison (Reed 1994:191). The habitation features of the Numic-speaking peoples consist primarily of wickiups, which are frame huts covered with matting made from bark or brush. It appears that the seasonal movement of small groups during this period was necessary to utilize these various resources. Cultural material in the archaeological record that is associated with Numic-speaking peoples include lithic stone tool scatters, brown ware pottery, "Shoshonean knives" (Janetski 1994), and rock art.

Euro-American activity in the Uinta Basin began with an initial interest in trapping and mineral and petroleum development and is generally defined by periods of Exploration, Trapping and Trading (1776-1852); Early Settlement (1853-1861); Reservation (1862-1868); Secondary Settlement and Early Irrigation (1869-1885); Mineral Development (1886-1904); Land Rush and Water Development (1905-1927); Drought, Depression, and World War II (1928-1945); and Post-War (1946-present).

The Dominguez and Escalante expedition of 1776 marks the beginning of the historic period in this area. In his diary, Escalante called the basin "a fine plain abounding in pasturage and fertile, arable land, provided it were irrigated." These explorers opened the basin to Spanish, Mexican, American, and British fur-trappers, traders, and settlers. Over the next 100 years, early trappers, Mormon settlers, surveyors, and military expeditions passed through or settled in the area. Historic resource exploitation in this area includes mining, logging, and oil and gas extraction. The early historic periods were often marked by conflict between the original inhabitants of the region and Euro-American groups.

Between the late 1820s and the 1840s, the basin and mountains were visited by such prominent historical figures as William H. Ashley, Etienne Provost, Antoine Robidoux, and Kit Carson. At least two semi-permanent trading posts were established in the basin. These included Fort Robidoux (Fort Uintah or Winty) and Fort Kit Carson. Furthermore, several expeditions visited the area, including the Captain John C. Fremont expedition during the 1840s, and that of Major John Wesley Powell who floated the Green River in 1869 and 1871. The area was not initially identified as an area to be settled by Mormon leaders. In the early 1860s, Brigham Young sent a small expedition to the area to determine its suitability for settlement, but the expedition reported that "all that section of country lying between the Wasatch Mountains and the eastern boundary of the territory, and south of Green River country, was one vast contiguity of waste and measurably valueless…excepting for nomadic purposes, hunting grounds for Indians and to hold the world together."

The Uintah Reservation was established in 1861. Several Ute groups, including the Uinta-ats (Tavaputs), PahVant, Tumpanawach, Cumumba, and Sheberetch formed the Uintah Band during the late 1860s to early 1870 (Burton 1996). The Uintah Reservation was established to include Utes who had previously lived in central Utah and Ute groups from Colorado, specifically the White River Utes who had participated in the Meeker Massacre of September 29, 1879, were added to the Utah reservation in 1882 (Burton 1996; Callaway, Janetski, and Stewart 1986). The establishment of the reservation and subsequent inclusion of Ute groups from Colorado required that the Utes living in central Utah and the White River Utes of Colorado give up their residence there, and move to the Uintah Reservation, which is located in the northeast portion of the state of Utah. In addition, the Ouray Reservation, which bordered the southern boundary of the Uintah Reservation, was established during this time. This reservation was set up to include a band of Uncompangre Utes. The Utes that were forced to move into these reservations were forced to sell their lands, and in many cases were not compensated for any resulting loss of land or independence. Furthermore, their relocation, residence, and containment on the two reservations was enforced militarily by the infantry stationed at the Department of War at Fort Thornburgh, which was established in 1881 (Burton

1996). Originally, the Uintah-Ouray Reservation encompassed over 3.5 million acres. However, today, the Uintah Utes, White River Utes, and Uncompanyer Utes occupy only a small fraction of their former reservation lands. Between 1890 and 1933, over 500,000 acres of the Uintah-Ouray Reservation were taken for homesteading, and in 1906, over 900,000 additional acres were taken from the reservation and added to the National Forests (Clemmer 1986).

Thomas Smart was one of the first white settlers to inhabit the area east of Ouray in 1878. This was followed by additional settlement in the area of the White River in the In 1888, gilsonite and other asphaltum minerals were late 1870s to early 1880s. discovered in various parts of the basin, which included eastern portions of the Uintah-Ouray Reservation. Miners convinced the Federal government to withdraw 7,000 acres from the reservation so that they could legally proceed with gilsonite mining activities. This area was called "the Strip." Between the late 1880s and early 1900s, the Dawes Act of 1887 and other mining and development campaigns succeeded in opening the Uinta Basin Indian Reservations, including the Uintah, the Ouray, and the Uncompangre, to homesteading, development, and mining activities. The Mormon presence and increased settlement in the area grew after Thomas Smart's brother, William H. Smart, organized several expeditions into the Ouray Valley and the newly opened Ute Reservation. William H. Smart also became the president of the Wasatch Latter Day Saints (LDS) State in 1901 (Burton 1998). Several LDS families relocated to this area following Smart's initial exploration.

Early settlers in the region depended on livestock as the primary industry. Ranching and livestock make up an important part of the history of the Uinta Basin. Cattle were brought in from Brown's Park in Texas and other eastern areas since the early 1850s, and they were brought up to the Green River and surrounding mountain areas. The area offered an abundance of grass and water appropriate for livestock management. In 1912, the Uintah Cattle and Horse Growers Association was established. This group served to organize and issue brands to ranchers and to curtail rampant cattle rustling, which was becoming a significant problem as existing ranches grew in size and new ranches were established in the area (Burton 1996). Following the development of the cattle ranching industry, the sheep industry and the production of wool became an important industry in the Uinta Basin and its introduction coincided and possibly played a part in the waning of the cattle ranching industry. Sheep were desirable because of their heartiness and ability to survive the difficult basin winters better than cattle. Robert Bodily introduced the region to sheep in 1879 when he introduced a herd of 60. Following this introduction, the number of sheep being ranched in the region grew to approximately 50,000 head by the mid 1890s. Large-scale shearing corrals were built by C.S. Carter, and later by the Uintah Railway Company, and in 1899, the Uinta Basin sheep ranching industry was shipping 500,000 pounds of wool out of the area. The enormous growth of the wool industry in the region resulted in the passing of the Taylor Grazing Act in 1934, which designated certain areas as "districts" to stockmen, and required permits for livestock grazing. This act and acts like it led in part to the development of the Bureau of Land Management in 1946 (Burton 1996).

Uintah County is recognized for its various natural resources. These include coal, copper, iron, asphalt, shale, and as aforementioned, gilsonite. Commercial oil production began in 1948, but was not fully exploited until the 1970s, when the price of crude oil increased. The region has since experienced a boom and bust economic climate that is highly dependent on the price of and demand for oil and gas. Most

recently the economic stability of the Uinta Basin is increasingly dependent on world energy prices and demand.

4. CLASS I INVENTORY

A file search for previous projects and documented cultural resources was conducted at the Division of State History – Utah State Historic Preservation Office (USHPO) on April 7, 2008. The purpose of the file search was to identify the previous cultural resource inventories conducted within the Project Area and the number, type, and eligibility recommendations made for all of the archaeological sites previously documented. The NRHP National Register Information System (NRIS) online database was also consulted to determine if there are any NRHP-listed sites within the Project Area.

The results of the Class I inventory indicated that 21 previous cultural resource inventories had been conducted within 1 mile of the Project Area. These previous inventories resulted in the identification of four archaeological sites (42Un4595, 42Un4812, 42Un4998, 42Un5007), within 1 mile of the Project Area. Two of these sites (42Un4812 and 42Un4998) were determined to be eligible for listing on the NRHP. However, neither of these previously recorded sites is located in the Project Area. The previous inventories and their findings are summarized in Table 4.1.

Table 4.1 Previous Cultural Resource Inventories Conducted in the Vicinity of the Project

Area and Applicable Findings Project Name Findings Company Name Project No. No cultural resources Cultural Resource Archaeological-U-81-AF-0675 Environmental Research Inventory of a Proposed documented. Well Location and Corporation Access Road in the Wild Horse Bench Locality of Uintah County, Utah No cultural resources Cultural Resource U-87-AF-0636 Archaeological-Evaluation of Two documented. **Environmental Research Proposed Well Locations** Corporation in the Hill Creek Locality of Uintah County, Utah No cultural resources Grand River Institute King's Canyon #1-3 U-91-GB-0668 documented. Well/Access No cultural resources Grand River Institute Class III Cultural U-03-GB-0252 Resource Inventory documented. Report on Four Proposed Well locations, Related Accesses, and Pipeline Routes in Uintah and Duchesne Counties, Utah, for Gasco, Inc. 42Un4595 An Independent Cultural Resource U-04-AY-1387 Inventory of EOG Archaeologist Resources, Inc.'s Algiers Pass Road No cultural resources An Independent Cultural Resource U-05-AY-0222 documented. Inventory of Dominion Archaeologist Exploration and Production, Inc.'s proposed King's Canyon (KC) #8-23E, its access and pipeline

Table 4.1 Previous Cultural Resource Inventories Conducted in the Vicinity of the Project Area and Applicable Findings

Area and Applicable Findings							
Project No.	Company Name		Findings				
U-05-AY-0292	An Independent	Cultural Resource	No cultural resources				
	Archaeologist	Inventory of Dominion	documented.				
		Exploration and					
		Production, Inc.'s					
		proposed Algiers Pass					
		(AP) #1-2J, its access					
11.05.437.0000		and pipeline					
U-05-AY-0293	An Independent	Cultural Resource	No cultural resources				
	Archaeologist	Inventory of Dominion	documented.				
		Exploration and Production, Inc.'s					
		proposed Algiers Pass					
		(AP) #2-2J, its access					
		and pipeline	1				
U-05-AY-0294	An Independent	Cultural Resource	42Un4812				
0 00 / 11 020 1	Archaeologist	Inventory of Dominion	720117012				
	7.1.07.1a00.10gist	Exploration and					
		Production, Inc.'s					
		proposed Algiers Pass	f				
		(AP) #3-2J, its access					
		and pipeline					
U-05-AY-0295	An Independent	Cultural Resource	No cultural resources				
	Archaeologist	Inventory of Dominion	documented.				
		Exploration and					
		Production, Inc.'s					
		proposed Algiers Pass					
		(AP) #5-2J, its access					
		and pipeline					
U-05-AY-0296	An Independent	Cultural Resource	No cultural resources				
	Archaeologist	Inventory of Dominion	documented.				
		Exploration and					
		Production, Inc.'s					
		proposed Algiers Pass					
		(AP) #8-2J, its access					
U-05-AY-0297	An Independent	and pipeline Cultural Resource	No cultural resources				
0-03-A1-0297	Archaeologist	Inventory of Dominion	documented.				
	Archaeologist	Exploration and	documented.				
		Production, Inc.'s					
		proposed Algiers Pass					
		(AP) #9-2J, its access					
		and pipeline					
U-05-AY-0298	An Independent	Cultural Resource	No cultural resources				
	Archaeologist	Inventory of Dominion	documented.				
		Exploration and					
		Production, Inc.'s					
		proposed Algiers Pass					
		(AP) #10-2J, its access					
		and pipeline					
U-05-AY-0299	An Independent	Cultural Resource	No cultural resources				
	Archaeologist	Inventory of Dominion	documented.				
		Exploration and					
		Production, Inc.'s					
		proposed Algiers Pass					
		(AP) #15-2J, its access	1				
		and pipeline					

Table 4.1 Previous Cultural Resource Inventories Conducted in the Vicinity of the Project

Area and Applicable Findings							
Project No.	Company Name	Project Name	Findings				
U=05-MQ-0819	Montgomery Archaeological Consultants	Cultural Resource Inventory of EOG Resources, Inc.'s Eight Proposed Well Locations	42Un4998				
U-05-MQ-0890	Montgomery Archaeological Consultants	Cultural Resource Inventory of EOG Resources' Proposed Well Locations, Access, and Pipelines Alger Pass #8-17 and #6-15, Uintah County, Utah	42Un5007				
U-05-MQ-1010	Montgomery Archaeological Consultants	Cultural Resource Inventory of EOG Resources, Inc.'s Five Proposed Wells #1-3, #3-3, #5-3, #10-4, and #11-4 in Uintah County, Utah	No cultural resources documented.				
U-06-AY-0433	An Independent Archaeologist	Cultural Resource Inventory of Dominion Exploration and Production, Inc.'s proposed Algiers Pass (AP) #11-2J, its access and pipeline	No cultural resources documented.				
U-06-AY-0435	An Independent Archaeologist	Cultural Resource Inventory of Dominion Exploration and Production, Inc.'s proposed Algiers Pass (AP) #13-2J, its access and pipeline	No cultural resources documented.				
U-06-AY-1319	An Independent Archaeologist	Cultural Resource Inventory of Dominion Exploration and Production, Inc.'s proposed Algiers Pass (AP) Federal Access Road and 10" pipeline	No cultural resources documented.				
U-06-MQ-0533	Montgomery Archaeological Consultants	Cultural Resource Inventory of EOG Resources, Inc.'s Proposed Wild Horse Divide Well Locations #2-3, 4-3, 8-3, 9-4, and 12-4, Uintah County, Utah	No cultural resources documented.				

5. FIELD SURVEY

The objective of the field inventory is to identify and document all eligible prehistoric and historic archaeological sites, as well as areas that may have a high probability of significant subsurface materials that may be impacted by the proposed undertaking. During the survey, the ground surface is examined for archaeological artifacts, features, or other evidence of human presence including charcoal-stained sediments or rock surface oxidation indicating the presence of fire. Particular consideration is given to

areas of existing surface disturbance, including areas of erosion, cutbanks, animal burrows, anthills, roads, and other areas of construction activities as these areas provide indications of the potential for subsurface deposits of cultural material.

The Class III field inventory was conducted on all areas proposed for surface disturbance. At the proposed well location, a 10-acre square parcel is defined, centered on the well pad center stake. The survey area width for the access road and pipeline routes is 60 meters (200 feet) to either side of the centerline. A 100 percent pedestrian coverage survey is then conducted on the entire 10-acre area and along the access road and pipeline corridor with archaeologists walking parallel transects spaced at 15 meters (45 feet) apart.

6. SUMMARY OF THE KNOWN CULTURAL RESOURCES

The results of the Class I inventory indicated that 21 previous cultural resource inventories had been conducted within 1 mile of the Project Area. These previous inventories resulted in the identification of four archaeological sites (42Un4595, 42Un4812, 42Un4998, 42Un5007), within 1 mile of the Project Area. Two of these sites (42Un4812 and 42Un4998) were determined to be eligible for listing on the NRHP. However, neither of these previously recorded sites is located in the Project Area.

No new cultural resources were recorded during the survey of XTO Energy's Proposed Algers Pass location #14-2J, associated access road, and pipeline.

7. EVALUATION AND RECOMMENDATIONS

No avoidance or mitigation measures are recommended for the proposed project as there will be no effects to any historic properties as a result of the undertaking. Therefore, a determination of "no historic properties affected" is proposed for the project pursuant to Section 106 of the NHPA (36 CFR 800).

To minimize any potential damage to or destruction of cultural resources and to maintain compliance with Federal and State cultural resource legislation, the following stipulations should be adhered to by all project personnel:

- The operator and its contractors would inform their employees about Federal regulations intended to protect cultural resources. All personnel would be informed that collecting artifacts, including arrowheads, is a violation of Federal law.
- If cultural resources are uncovered during surface-disturbing activities, the
 operator and its contractors would suspend all operations at the site and the
 discovery would be immediately reported to the Authorized Officer, who would
 arrange for a determination of significance in consultation with the SHPO, and if
 necessary, recommend a recovery or avoidance plan.
- All vehicular traffic, personnel and equipment movement, and construction activities should be confined to the locations surveyed for cultural resources as referenced in this report, and to the existing roadways and/or inventoried access routes.

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PALEONTOLOGY EVALUATION SHEET

PROJECT: XTO ENERGY, INC – AP #14-2J

LOCATION: Fourteen miles south southwest of Ouray, Utah. 513' FSL 2083' FWL, Sec. 2, T11S, R19E, S.L.B.&M., Uintah County, Utah.

OWNERSHIP: PRIV[] STATE[X] BLM[] USFS[] NPS[] IND[] MIL[] OTHER[]

DATE: April 10, 2006

GEOLOGY/TOPOGRAPHY: Uinta Formation, lower part, Eocene Age. The general area is part of Wild Horse Bench, somewhat flat, but cut by draws/drainages running northwest. The area has a lot of bench top surface cover of soil and rock fragments with occasional rock exposures, particularly along the edges of canyons and draws. The road and pipeline come in from the east, then curve northwest across a drainage to the pad. Occasional rock exposures along the road and pipeline as they drop into the draw. The well pad is on the west edge of a bench.

PALEONTOLOGY SURVEY: YES [X] NO Survey [] PARTIAL Survey [] Well pad, road and pipeline were surveyed for paleontology.

SURVEY RESULTS: Invertebrate [] Plant [] Vertebrate [] Trace [] No Fossils Found [X]

PALEONTOLOGY SENSITIVITY: HIGH [] MEDIUM [] LOW [X] (PROJECT SPECIFIC)

MITGATION RECOMMENDATIONS: NONE [X] OTHER [] (SEE BELOW)

No recommendations are being made for this well location.

There is always some potential for discovery of significant paleontological resources in the Uinta Formation. If significant vertebrate fossils (mammals, crocodiles, complete turtle shells, etc.) are encountered during construction, work should stop in that area and a paleontologist should be contacted to evaluate the material discovered.

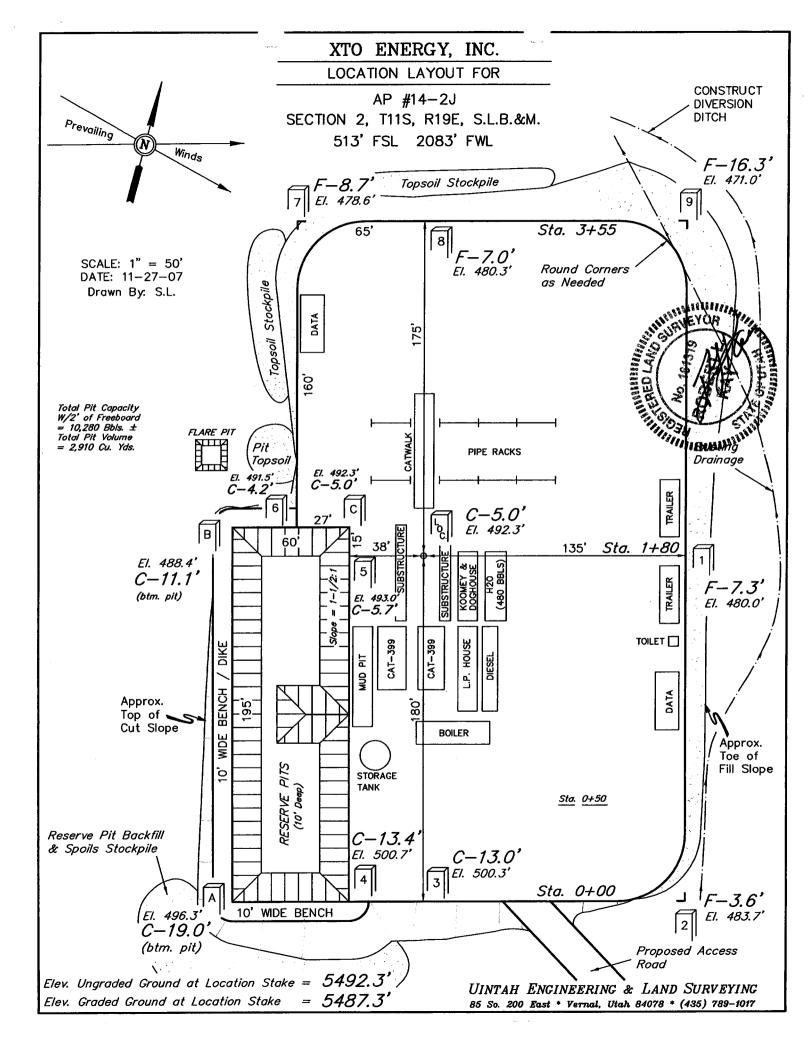
PALEONTOLOGIST: Alden H. Hamblin

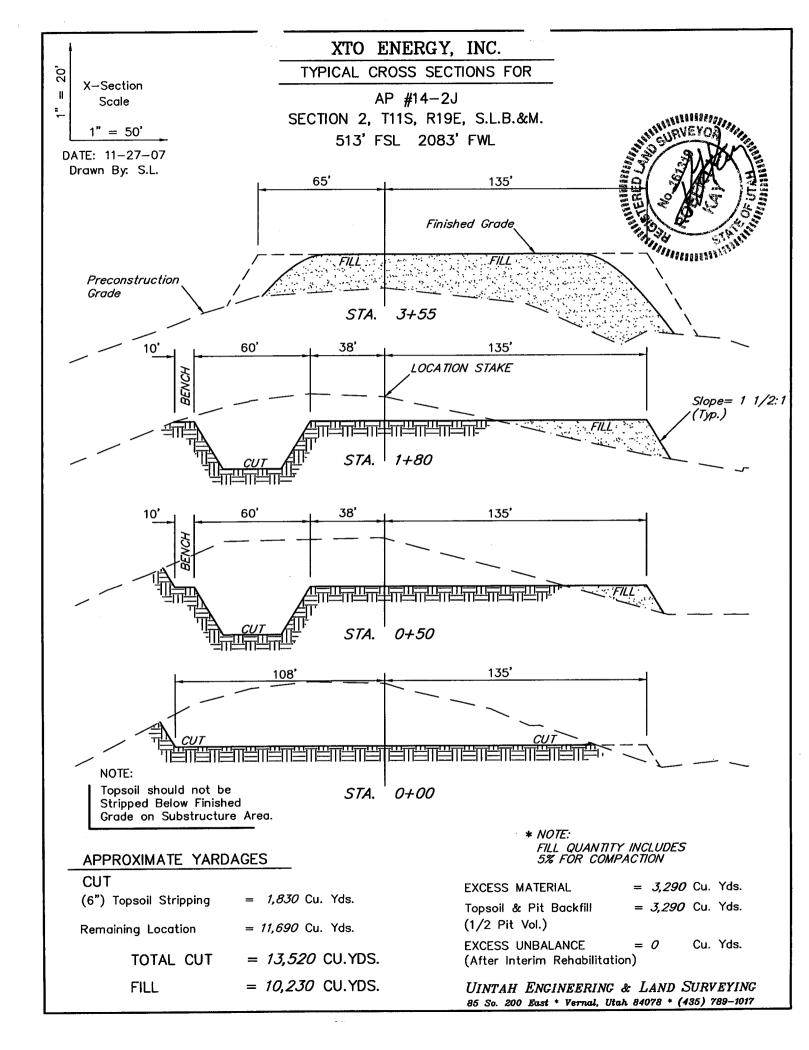
A.H. Hamblin Paleontological Consulting, 3793 N. Minersville Highway, Cedar City, Utah 84720 (435) 867-8355 Utah State Paleontological Permit # 07-055, BLM paleontological Resources Permit # UT-S-05-02, Utah Professional Geologist License – 5223011-2250.

XTO ENERGY, INC AP #14-2J SECTION 2, T11S, R19E, S.L.B.&M.

PROCEED IN A WESTERLY DIRECTION FROM VERNAL, UTAH ALONG U.S. HIGHWAY 40 APPROXIMATELY 14.0 MILES TO THE JUNCTION OF STATE HIGHWAY 88; EXIT LEFT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 17.0 MILES TO OURAY, UTAH; PROCEED IN A SOUTHERLY, THEN SOUTHEASTERLY DIRECTION APPROXIMATELY 9.1 MILES ON THE SEEP RIDGE ROAD TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTH; TURN RIGHT AND PROCEED IN A SOUTHERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE WEST; TURN RIGHT AND PROCEED IN A WESTERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 0.5 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE NORTH; TURN RIGHT AND PROCEED IN A NORTHERLY, THEN SOUTHWESTERLY DIRECTION APPROXIMATELY 2.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST: **PROCEED** IN Α SOUTHWESTERLY APPROXIMATELY 3.8 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST: TURN RIGHT AND PROCEED IN A SOUTHWESTERLY, THEN NORTHWESTERLY DIRECTION APPROXIMATELY 1.2 MILES TO THE JUNCTION OF THIS ROAD AND AN EXISTING ROAD TO THE SOUTHWEST; TURN LEFT AND PROCEED IN A SOUTHWESTERLY DIRECTION APPROXIMATELY 0.8 MILES TO THE BEGINNING OF THE PROPOSED ACCESS TO THE WEST; FOLLOW ROAD FLAGS IN A WESTERLY DIRECTION APPROXIMATELY 0.25 MILES TO THE PROPOSED LOCATION.

TOTAL DISTANCE FROM VERNAL, UTAH TO THE PROPOSED WELL LOCATION IS APPROXIMATELY 52.25 MILES.





XTO ENERGY, INC

AP #14-2J

LOCATED IN UINTAH COUNTY, UTAH **SECTION 2, T11S, R19E, S.L.B.&M.**

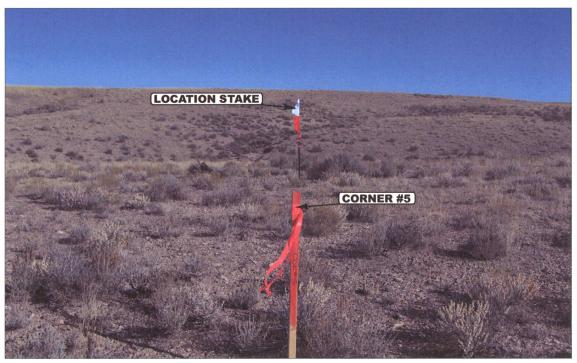


PHOTO: VIEW FROM CORNER #5 TO LOCATION STAKE

CAMERA ANGLE: NORTHEASTERLY



PHOTO: VIEW FROM BEGINNING OF PROPOSED ACCESS

CAMERA ANGLE: WESTERLY

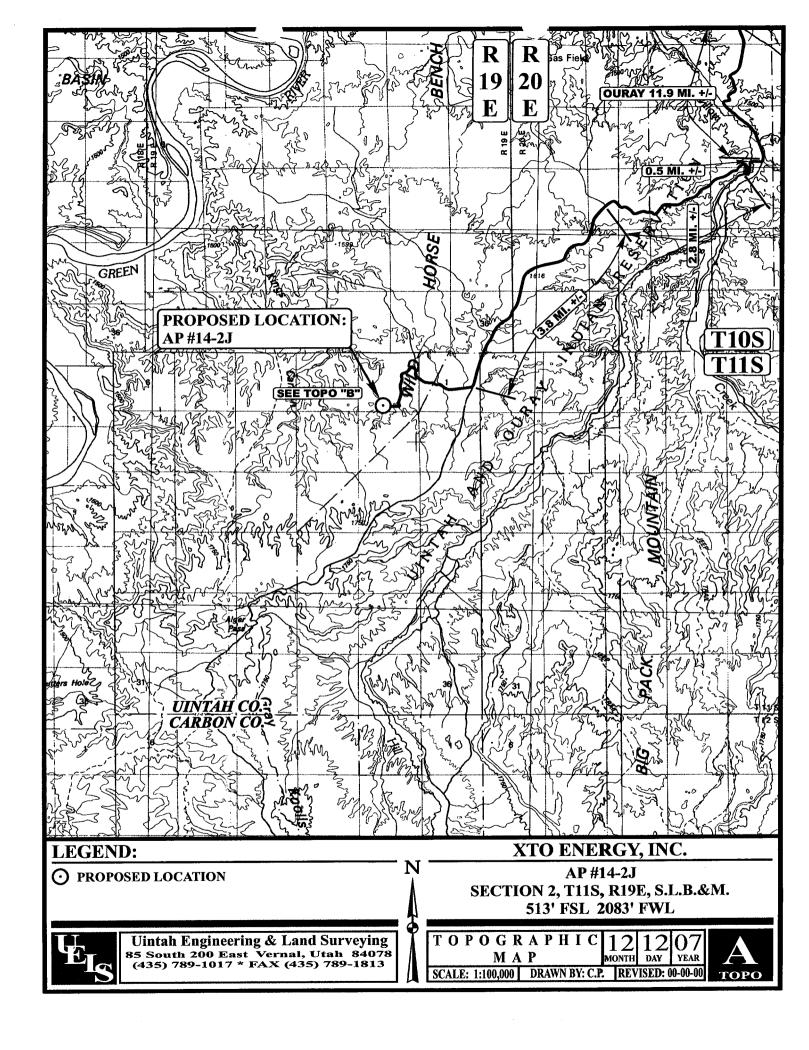


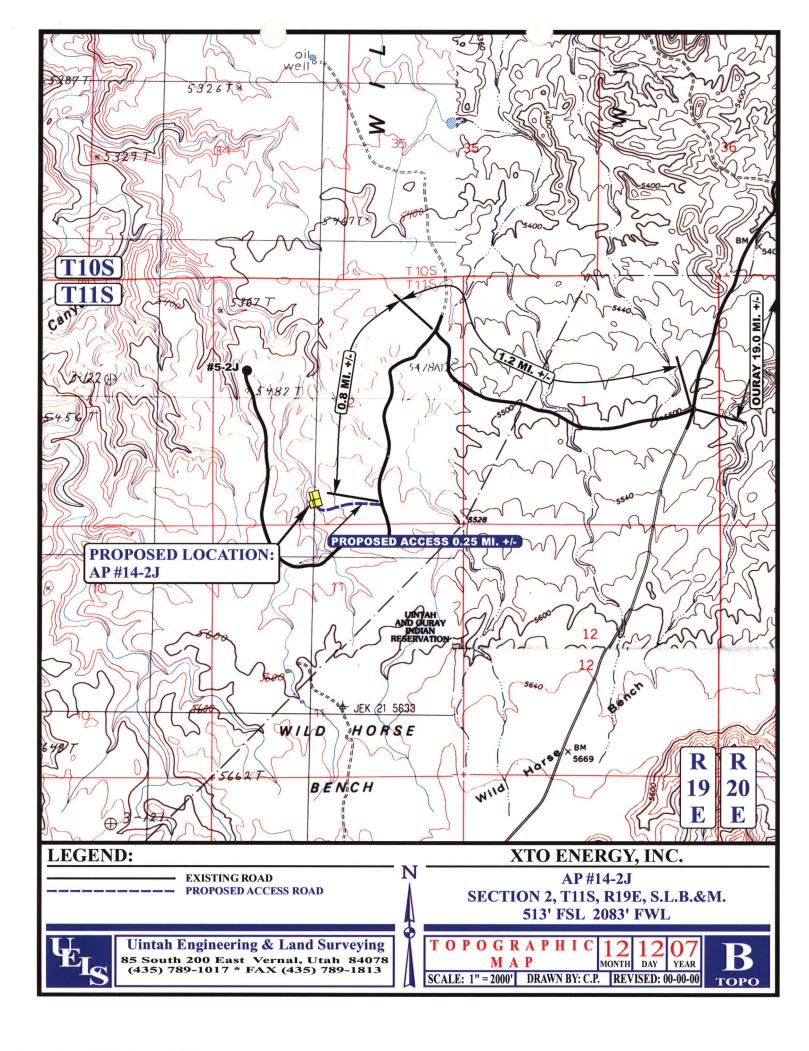
Uintah Engineering & Land Surveying 85 South 200 East Vernal, Utah 84078 435-789-1017 uels@uelsinc.com

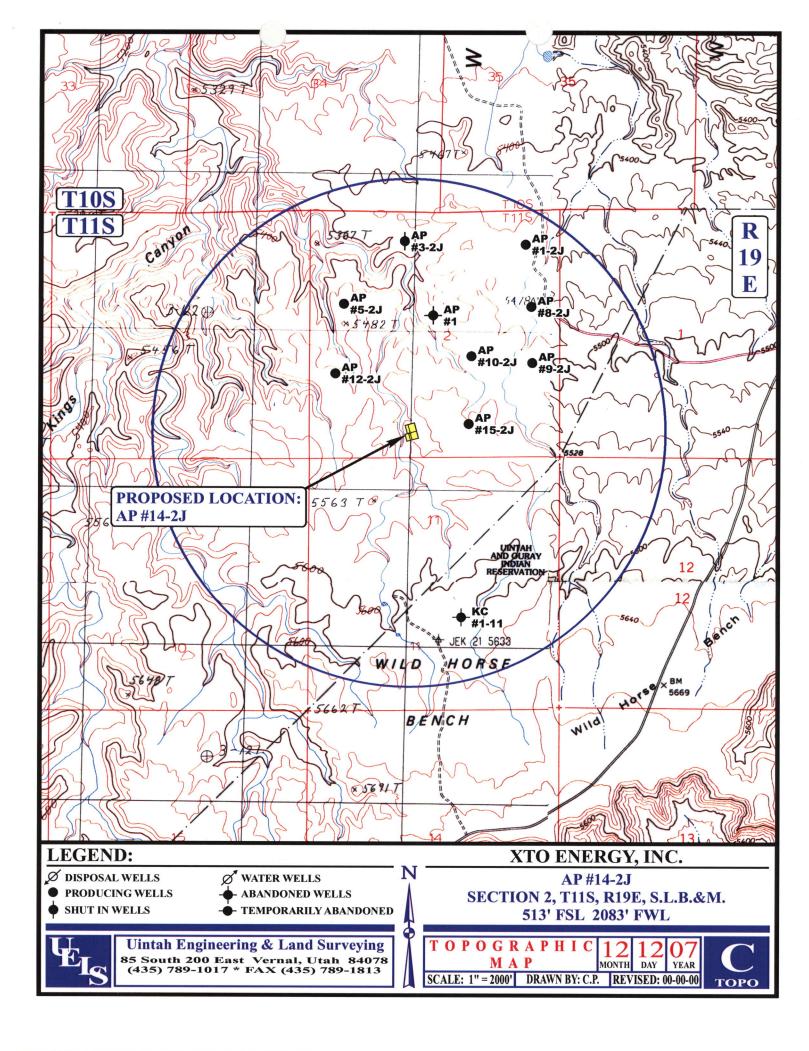
LOCATION PHOTOS

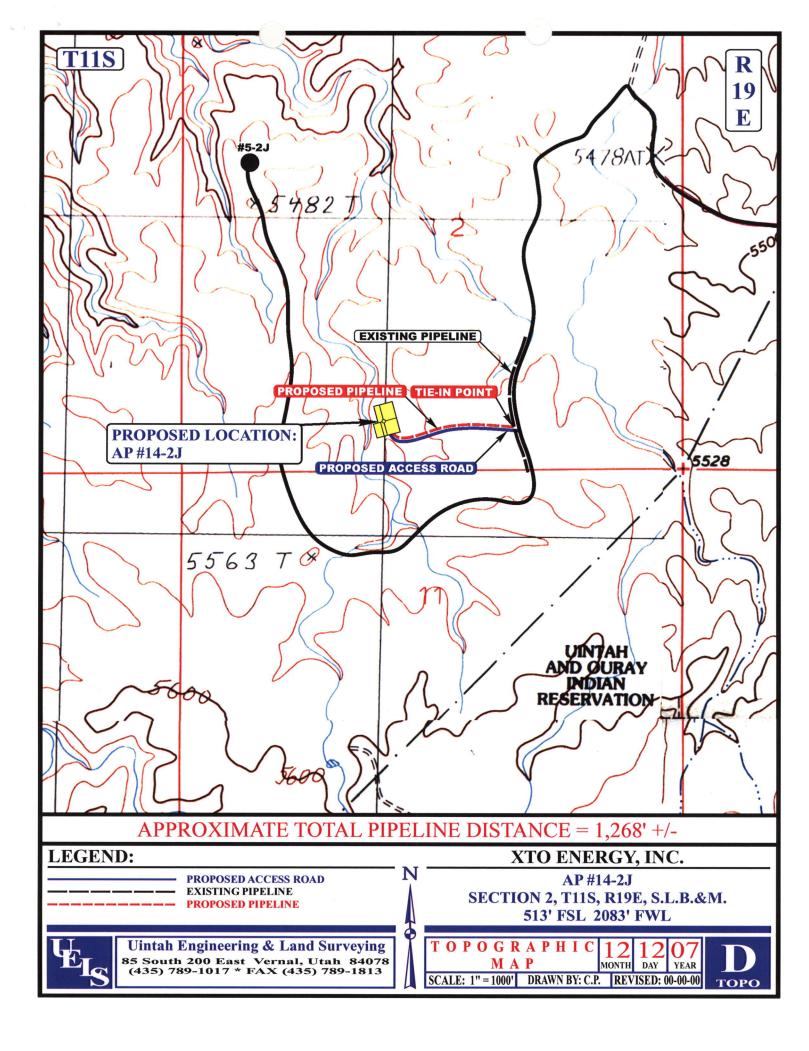
РНОТО

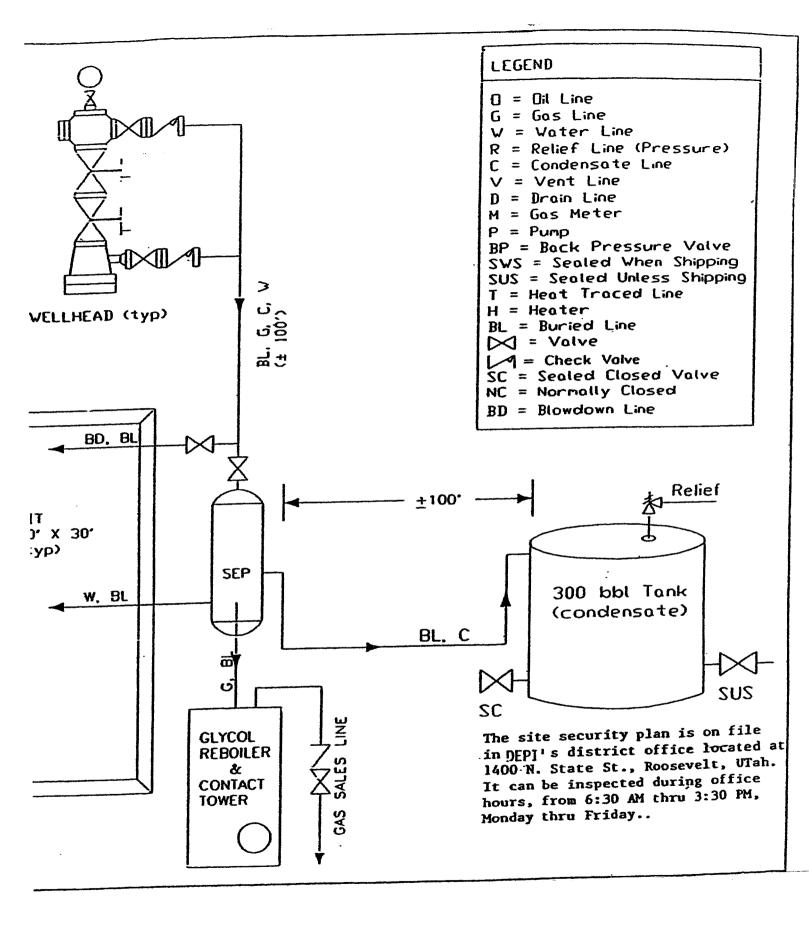
TAKEN BY: S.V. | DRAWN BY: C.P. | REVISED: 00-00-00

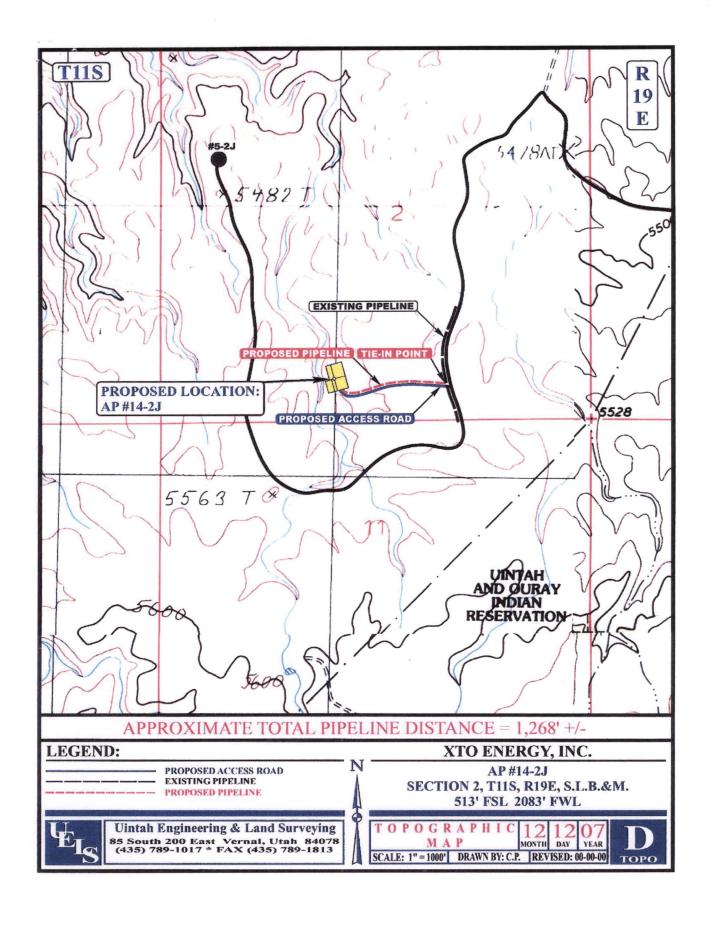






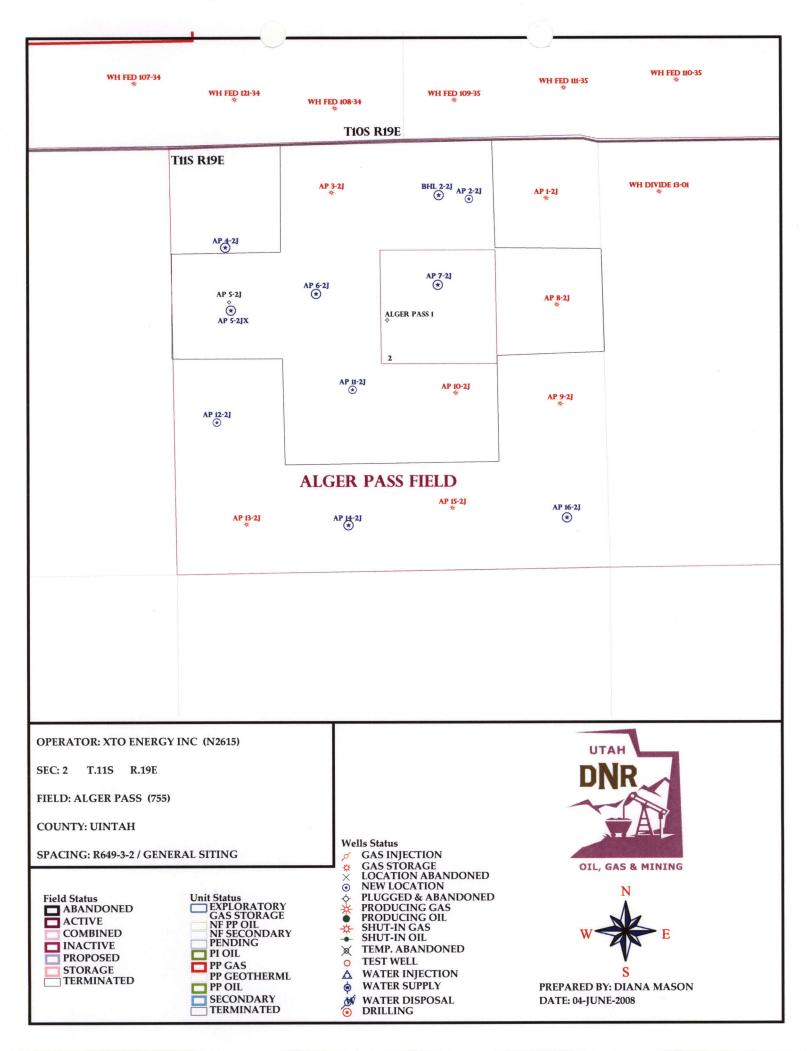






WORKSHEET APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 06/03/2008	AP	I NO. ASSIC	GNED: 43-04	7-40104
WELL NAME: AP 14-2J				
/ 270.615	PHON	E NUMBER:	405-749-526	53
	11101	L WOLDER.		
CONTACT: DON HAMILTON				
PROPOSED LOCATION:	INSI	PECT LOCATN	N BY: /	/
SESW 02 110S 190E SURFACE: 0513 FSL 2083 FWL	Tec	h Review	Initials	Date
BOTTOM: 0513 FSL 2083 FWL	Eng.	ineering	DRO	8/5/08
COUNTY: UINTAH LATITUDE: 39.88362 LONGITUDE: -109.7604	Geo	logy		`
UTM SURF EASTINGS: 605999 NORTHINGS: 44153	Sur	face		
FIELD NAME: Algur Pass (755)			
LEASE TYPE: 3 - State LEASE NUMBER: ML-36213 SURFACE OWNER: 3 - State		OSED FORMA BED METHAN		NV D
RECEIVED AND/OR REVIEWED:	LOCATION AN	ND SITING:		
✓ Plat	R649-2	2-3.		
Bond: Fed[] Ind[] Sta[] Fee[]				
(No. 104312762)	Unit:			
Potash (Y/N)	R649-1	3-2. Gener	ral	
N Oil Shale 190-5 (B) or 190-3 or 190-13			tr/Qtr & 920'	Between Wells
		3-3. Excep		
Water Permit	K049-	J-J. Excep	001.011	
(No. 43-10991)	Drill:	ing Unit		. t
RDCC Review (Y/N)	Board	d Cause No:		
(Date:)	Eff I			
<u>► MA</u> Fee Surf Agreement (Y/N)	Sitin	1g:		
MM Intent to Commingle (Y/N)	R649-3	3-11. Dir∈	ectional Dri	.11
COMMENTS: Needs Pre	1. Colo-	Z4-05)		
COMMENTS:	281 00 (00	<u> </u>		
. 0	C .			
STIPULATIONS: 1- STATEM	Jhr But or Bi			
3- Sirface (SLO		
	- / C/W/	-14		



Application for Permit to Drill Statement of Basis

7/16/2008

Utah Division of Oil, Gas and Mining

Page 1

APD No

API WellNo

Status

Well Type

Surf Ownr

CBM

781

43-047-40104-00-00

Surface Owner-APD

GW

S

No

Operator XTO ENERGY INC Well Name AP 14-2J

Unit

Field

ALGER PASS

Type of Work

Location SESW 2 11S 19E S 513 FSL 2083 FWL

GPS Coord (UTM) 605999E 4415366N

Geologic Statement of Basis

XTO proposes to set 2,200 feet of surface casing cemented to the surface. The base of the moderately saline water is estimated at 4,000 feet. A search of Division of Water Rights records shows no water wells within a 10,000 foot radius of the proposed location. The surface formation at this location is the Uinta Formation. The Uinta Formation is made up of discontinuous sands interbedded with shales and are not expected to produce prolific aquifers. The proposed Casing and cement program should adequately protect usable ground water. Production casing cement should be brought up above the base of the moderately saline ground water to isolate it from fresher waters uphole.

Brad Hill

7/16/2008

APD Evaluator

Date / Time

Surface Statement of Basis

The general area is known as Wild Horse Bench and is located approximately 15 air miles southwest of Ouray, Utah. Wild Horse Bench is a large open flat area with somewhat steep and frequent side-draws draining to the west toward the Green River and the northeast toward Willow Creek. The Uintah and Ouray Indian Reservation is to the east. The area is accessed by Uintah County roads and existing oilfield roads to within 0.25 miles of the site which will require new construction.

The proposed AP 14-2J gas well location is laid out northerly on top of a narrow rounded ridge which slopes to the north and also breaks off sharply into two draws or swales on the west and east. Corner 9 will be rounded to miss the draw on the east rather than constructing a diversion around that side as shown on the Location Layout Sheet.

With this change, no diversions are needed around the pad. No springs, seeps or streams are known to exist in the immediate area. The pre-drill investigation did not reveal any significant issues or situations, which should prohibit access to or drilling and operating this well.

Both the surface and minerals are owned by SITLA. Jim Davis represented SITLA at the site evaluation. He had no concerns regarding the proposal as altered. XTO is to contact SITLA for site restoration standards and seed mixes. Ben Williams of the Utah Division of Wildlife Resources was invited to the pre-site. He did not attend.

Floyd Bartlett

6/24/2008

Onsite Evaluator

Date / Time

Conditions of Approval / Application for Permit to Drill

Category

Condition

Pits

A synthetic liner with a minimum thickness of 16 mils with a felt subliner shall be

properly installed and maintained in the reserve pit.

Surface

The reserve pit shall be fenced upon completion of drilling operations.

ON-SITE PREDRILL EVALUATION

Utah Division of Oil, Gas and Mining

Operator

XTO ENERGY INC

Well Name

AP 14-2J

API Number

43-047-40104-0

APD No 781

Field/Unit ALGER PASS

Location: 1/4,1/4 SESW

Sec 2 Tw 11S

Rng 19E

513 FSL 2083 FWL

GPS Coord (UTM) 606006

4415369

Surface Owner

Participants

Floyd Bartlett (DOGM), Ken Secrist, Jody Mecham and Zander Mcentire (XTO), Jim Davis (SITLA), Brandon Bowthorpe(U.E.L.S.), Bill McClure (LaRose Construction), Randy Jackson (Jackson Construction)

Regional/Local Setting & Topography

The general area is known as Wild Horse Bench and is located approximately 15 air miles southwest of Ouray, Utah. Wild Horse Bench is a large open flat area with somewhat steep and frequent side-draws draining to the west toward the Green River and the northeast toward Willow Creek. The Uintah and Ouray Indian Reservation is to the east. The area is accessed by Uintah County roads and existing oilfield roads to within 0.25 miles of the site which will require new construction.

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Both the surface and minerals are owned by SITLA.

Surface Use Plan

Current Surface Use

Grazing

Recreational

Wildlfe Habitat

New Road

Miles Well Pad

Src Const Material

Surface Formation

0.25

Width 243 Length 355

Onsite

UNTA

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetland N

Flora / Fauna

Antelope, deer, elk, wild horses, coyotes, rabbits and miscellaneous small mammals and birds.

Big sagebrush, broom snakeweed, curly mesquite, spiny hopsage, broom snakeweed, cheatgrass, shadscale, halogeton, sitanion, mustard, horsebrush, globemallow, Gardiner saltbrush and spring annuals..

Soil Type and Characteristics

Surface soils are a shallow gravely sandy loam with some surface rock.

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Paleo Potental Observed? Cultural Survey Run? Cultural Resources?

Reserve Pit

Site-Specific Factors		Site R	Ranking		
Distance to Groundwater (feet)	>200		0		
Distance to Surface Water (feet)	>1000		0		
Dist. Nearest Municipal Well (ft)	>5280		0		
Distance to Other Wells (feet)	300 to 1320		10		
Native Soil Type	Mod permeability		10		
Fluid Type	Fresh Water		5		
Drill Cuttings	Normal Rock		0		
Annual Precipitation (inches)	<10		0		
Affected Populations	<10		0		
Presence Nearby Utility Conduits	Not Present		0		
		Final Score	25	1	Sensitivity Level

Characteristics / Requirements

A 60' x 195' x 10' deep reserve pit is planned on the southwest corner of the in an area of cut. A pit liner and sub felt are both required. XTO commonly uses a 16 mil liner which should be adequate for this location.

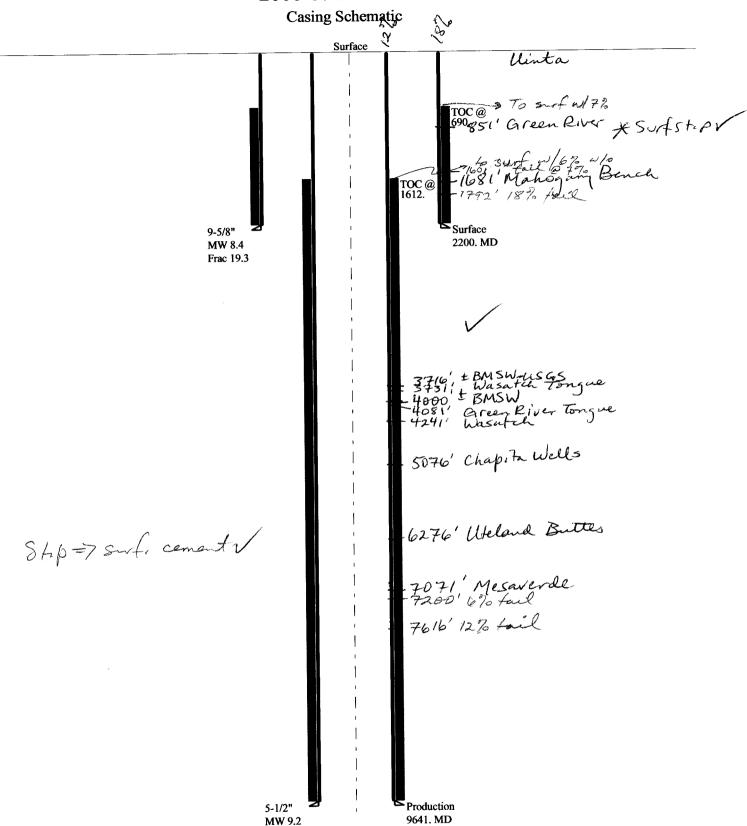
Closed Loop Mud Required? N Liner Required? Y Liner Thickness 16 Pit Underlayment Required? Y

Other Observations / Comments

ATV's were used to reach site.

Floyd Bartlett 6/24/2008
Evaluator Date / Time

2008-07 XTO AP 14-2J



Well name:

2008-07 XTO AP 14-2J

Operator:

XTO Energy, Inc.

String type:

Location:

Surface

Uintah County

Project ID:

43-047-40104

Design parameters:

Collapse

Mud weight: 8.400 ppg Design is based on evacuated pipe.

Minimum design factors:

Collapse:

Design factor

Environment:

H2S considered?

65 °F Surface temperature: 96 °F Bottom hole temperature:

Temperature gradient:

1.40 °F/100ft

Minimum section length:

185 ft

Burst:

Design factor

1.00

1.125

Cement top:

690 ft

No

Burst

Max anticipated surface

pressure: Internal gradient: Calculated BHP

1,936 psi 0.120 psi/ft 2,200 psi

No backup mud specified.

Tension:

1.80 (J) 8 Round STC: 1.80 (J) 8 Round LTC: 1.60 (J) **Buttress:**

1.50 (J) Premium: 1.50 (B) Body yield:

Tension is based on air weight. 1,926 ft Neutral point:

Non-directional string.

Re subsequent strings:

Next setting depth: Next mud weight:

9,641 ft 9.200 ppg Next setting BHP: 4,608 psi 19.250 ppg Fracture mud wt:

Fracture depth: Injection pressure: 2,200 ft 2,200 psi

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (Ibs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)
1	2200	9.625	36.00	J-55	ST&C	2200	2200	8.796	954.9
Run Seq	Collapse Load (psi) 960	Collapse Strength (psi) 2020	Collapse Design Factor 2.104	Burst Load (psi) 2200	Burst Strength (psi) 3520	Burst Design Factor 1.60	Tension Load (Kips) 79	Tension Strength (Kips) 394	Tension Design Factor 4.97 J

Prepared

Helen Sadik-Macdonald

Div of Oil, Gas & Minerals by:

Phone: 810-538-5357

Date: July 29,2008 Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension. Collapse is based on a vertical depth of 2200 ft, a mud weight of 8.4 ppg The casing is considered to be evacuated for collapse purposes. Burst strength is not adjusted for tension.

Well name:

2008-07 XTO AP 14-2J

Operator:

XTO Energy, Inc.

String type:

Production

Location:

Uintah County

Project ID:

43-047-40104

Design parameters:

Collapse

9.200 ppg

Mud weight: Design is based on evacuated pipe. Minimum design factors:

Collapse:

Design factor

1.125

Environment: H2S considered?

Surface temperature:

No 65 °F 200 °F

Bottom hole temperature: Temperature gradient:

1.40 °F/100ft

Minimum section length:

368 ft

Burst:

Design factor

1.00

Cement top:

1,612 ft

Burst

Max anticipated surface

pressure:

2,487 psi

Internal gradient: Calculated BHP

0.220 psi/ft 4,608 psi

No backup mud specified.

Tension:

8 Round STC: 8 Round LTC:

Buttress: Premium:

Body yield:

1.60 (J) 1.50 (J)

1.50 (B)

1.80 (J)

1.80 (J)

Tension is based on air weight. Neutral point: 8,296 ft Non-directional string.

Run Seq	Segment Length (ft)	Size (in)	Nominal Weight (Ibs/ft)	Grade	End Finish	True Vert Depth (ft)	Measured Depth (ft)	Drift Diameter (in)	Internal Capacity (ft³)	
1	9641	5.5	17.00	N-80	LT&C	9641	9641	4.767	1258.4	
Run Seq	Collapse Load (psi) 4608	Collapse Strength (psi) 6290	Collapse Design Factor 1.365	Burst Load (psi) 4608	Burst Strength (psi) 7740	Burst Design Factor 1.68	Tension Load (Kips) 164	Tension Strength (Kips) 348	Tension Design Factor 2.12 J	

Prepared

Helen Sadik-Macdonald

Div of Oil, Gas & Minerals

Phone: 810-538-5357

Date: July 29,2008 Salt Lake City, Utah

ENGINEERING STIPULATIONS: NONE

Collapse strength is based on the Westcott, Dunlop & Kemler method of biaxial correction for tension.

Collapse is based on a vertical depth of 9641 ft, a mud weight of 9.2 ppg The casing is considered to be evacuated for collapse purposes. Burst strength is not adjusted for tension.

BOPE REVIEW

XTO AP 14-2J API 43-047-40104

INPUT				
Well Name	XTO AP 14-2J AP	43-047-40104		
	String 1	String 2		
Casing Size (")	9 5/8	5 1/2		
Setting Depth (TVD)	2200	9641		
Previous Shoe Setting Depth (TVD)	0	2200		
Max Mud Weight (ppg)	8.4	9.2		
BOPE Proposed (psi)	0	3000		
Casing Internal Yield (psi)	3520	7740		
Operators Max Anticipated Pressure (psi)	4600		ppg	

Calculations	String 1	9 5/8 "	
Max BHP [psi]	.052*Setting Depth*MW =	961	
		BOPE Adequate For Drilling And Setting Casing at Depth?	*****
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	697 NO	
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	477 NO	
		*Can Full Expected Pressure Be Held At Previous Shoe?	
Pressure At Previous Shoe	Max BHP22*(Setting Depth - Previous Shoe Depth) =	477 NO Common light in Arey-no expected pr	ير جيمريا) جيم
Required Casing/BOPE Test		2200 psi	
*Max Pressure Allowed @ Previous Casing Shoe =		0 psi *Assumes 1psi/ft frac gradient	
		The same of the sa	

Calculations	String 2	5 1/2 "
Max BHP [psi]	.052*Setting Depth*MW =	4612
		BOPE Adequate For Drilling And Setting Casing at Depth?
MASP (Gas) [psi]	Max BHP-(0.12*Setting Depth) =	3455 NO
MASP (Gas/Mud) [psi]	Max BHP-(0.22*Setting Depth) =	2491 YES /
		*Can Full Expected Pressure Be Held At Previous Shoe?
Pressure At Previous Shoe	Max BHP22*(Setting Depth - Previous Shoe Depth) =	2975 - NO OVC.
Required Casing/BOPE Test	Pressure	3000 psi /
Max Pressure Allowed @ Previous Casing Shoe =		2200 psi *Assumes 1psi/ft frac gradient
		- Noosing Spaint nas gradient

From:

Ed Bonner

To:

Mason, Diana

Date:

7/10/2008 10:46 AM

Subject:

Well Clearance

CC:

Davis, Jim; Garrison, LaVonne; Hill, Brad; Jarvis, Dan

The following wells have been given cultural resources and paleontological resources clearance by the Trust Lands Administration:

EOG Resources, Inc

NBU 735-36E (API 43 047 50039)

NBU 733-36E (API 43 047 50042)

NBU 731-36E (API 43 047 50038)

NBU 670-29E (API 43 047 40084)

NBU 495-31E (API 43 047 50037)

NBU 743-31E (API 43 047 50040)

As per recommendations in paleo report, SITLA is requiring paleo monitoring of the NBU 743-31E location when construction begins and spotchecks during construction.

Kerr-McGee Oil & Gas Onshore LP

NBU 921-26A1CS (API 43 047 40099)

NBU 921-25D4AS (API 43 047 40102)

NBU 921-26N2AS (API 43 047 40110)

NBU 921-26M4AS (API 43 047 40111)

NBU 921-26N2DS (API 43 047 40112)

XTO Energy, Inc

AP 16-2J (API 43 047 40103)

AP 14-2J (API 43 047 40104)

AP 7-2J (API 43 047 40105)

AP 6-2J (API 43 047 40106)

AP 5-2JX (API 43 047 40107)

AP 4-2J (API 43 047 40108)

If you have any questions regarding this matter please give me a call.



State of Utah DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 5, 2008

XTO Energy, Inc. P O Box 1360 Roosevelt, UT 84066

Re:

AP 14-2J Well, 513' FSL, 2083' FWL, SE SW, Sec. 2, T. 11 South, R. 19 East,

Uintah County, Utah

Gentlemen:

Pursuant to the provisions and requirements of Utah Code Ann.§ 40-6-1 *et seq.*, Utah Administrative Code R649-3-1 *et seq.*, and the attached Conditions of Approval, approval to drill the referenced well is granted.

This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date. The API identification number assigned to this well is 43-047-40104.

Sincerely,

Gil Hunt

Associate Director

pab Enclosures

cc: Uint

Uintah County Assessor

SITLA



Operator:	XTO Energy, Inc.						
Well Name & Number	AP 14-	2J					
API Number:	43-047-	-40104					
Lease:	ML-36	ML-36213					
Location: <u>SE SW</u>	Sec. 2	T. <u>11 South</u>	R. 19 East				

Conditions of Approval

1. General

Compliance with the requirements of Utah Admin. R. 649-1 *et seq.*, the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

2. Notification Requirements

The operator is required to notify the Division of Oil, Gas and Mining of the following action during drilling of this well:

- 24 hours prior to cementing or testing casing contact Dan Jarvis
- 24 hours prior to testing blowout prevention equipment contact Dan Jarvis
- 24 hours prior to spudding the well contact Carol Daniels
- Within 24 hours of any emergency changes made to the approved drilling program – contact Dustin Doucet
- Prior to commencing operations to plug and abandon the well contact Dan Jarvis

The operator is required to get approval from the Division of Oil, Gas and Mining before performing any of the following actions during the drilling of this well:

- Plugging and abandonment or significant plug back of this well contact Dustin Doucet
- Any changes to the approved drilling plan contact Dustin Doucet

The following are Division of Oil, Gas and Mining contacts and their telephone numbers (please leave a voice mail message if the person is not available to take the call):

Dan Jarvis at: (801) 538-5338 office (801) 942-0871 home
Carol Daniels at: (801) 538-5284 office

• Dustin Doucet at: (801) 538-5281 office (801) 733-0983 home

3. Reporting Requirements

All required reports, forms and submittals will be promptly filed with the Division, including but not limited to the Entity Action Form (Form 6), Report of Water Encountered During Drilling (Form 7), Weekly Progress Reports for drilling and completion operations, and Sundry Notices and Reports on Wells requesting approval of change of plans or other operational actions.

- 4. Compliance with the State of Utah Antiquities Act forbids disturbance of archeological, historical, or paleontological remains. Should archeological, historical or paleontological remains be encountered during your operations, you are required to immediately suspend all operations and immediately inform the Trust Lands Administration and the Division of State History of the discovery of such remains.
- 5. Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis. (Copy Attached)
- 6. This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the "Board"). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.
- 7. Surface casing shall be cemented to the surface.

	STATE OF UTAH		FORM 9
	DEPARTMENT OF NATURAL RESOURD DIVISION OF OIL, GAS, AND MI		5.LEASE DESIGNATION AND SERIAL NUMBER: ML-36213
SUNDF	RY NOTICES AND REPORTS	ON WELLS	6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
	sals to drill new wells, significantly deepe ugged wells, or to drill horizontal laterals.		7.UNIT or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well			8. WELL NAME and NUMBER: AP 14-2J
2. NAME OF OPERATOR: XTO ENERGY INC			9. API NUMBER: 43047401040000
3. ADDRESS OF OPERATOR: 382 Road 3100 , Aztec, NM, 8	7410 505 333-3159 Ex	PHONE NUMBER: t	9. FIELD and POOL or WILDCAT: ALGER PASS
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0513 FSL 2083 FWL			COUNTY: UINTAH
QTR/QTR, SECTION, TOWNSHI Qtr/Qtr: SESW Section: 02	IP, RANGE, MERIDIAN: Township: 11.0S Range: 19.0E Meridian	: S	STATE: UTAH
11.	CK APPROPRIATE BOXES TO INDICA	ATE NATURE OF NOTICE, REPOR	RT, OR OTHER DATA
TYPE OF SUBMISSION		TYPE OF ACTION	
	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
NOTICE OF INTENT Approximate date work will start: 8/5/2010	CHANGE TO PREVIOUS PLANS	CHANGE TUBING	CHANGE WELL NAME
_	CHANGE WELL STATUS	COMMINGLE PRODUCING FORMATION	
SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN ☐ OPERATOR CHANGE	☐ FRACTURE TREAT ☐ PLUG AND ABANDON	☐ PLUG BACK
	PRODUCTION START OR RESUME	RECLAMATION OF WELL SITE	RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	REPERFORATE CURRENT FORMATION	SIDETRACK TO REPAIR WELL	TEMPORARY ABANDON
·	☐ TUBING REPAIR	VENT OR FLARE	WATER DISPOSAL
Drilling REPORT	☐ WATER SHUTOFF	SI TA STATUS EXTENSION	✓ APD EXTENSION
Report Date:	□ WILDCAT WELL DETERMINATION	OTHER	OTHER:
12. DESCRIBE PROPOSED OR CO	MPLETED OPERATIONS. Clearly show all pe	ertinent details including dates, depth	s. volumes. etc.
l .	ests a one year State extensi		
	referenced well.		Approved by the Utah Division of
			Oil, Gas and Mining
			on, eas and i ming
			Date: August 13, 2009
			By: bally !!!
			33
NAME (PLEASE PRINT) Eden Fine	PHONE NUMBE 505 333-3664	R TITLE Permitting Clerk	
SIGNATURE		DATE 8/11/2009	



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047401040000

API: 43047401040000

Well Name: AP 14-2J

Location: 0513 FSL 2083 FWL QTR SESW SEC 02 TWNP 110S RNG 190E MER S

Company Permit Issued to: XTO ENERGY INC

Date Original Permit Issued: 8/5/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not require revision. Following is a checklist of some items related to the application, which should be verified.

require revi	sion. Following is a che	cklist of some it	ems related to t	he applicat	on, whi	ch should be ver	ified.
	ated on private land, ha ed? 问 Yes 📵 No	as the ownership	changed, if so,	has the sur	face ag	reement been	
	any wells been drilled i requirements for this			ell which w	ould aff	ect the spacing o)r
	here been any unit or o s proposed well? 🔘 🛝		put in place tha	nt could affo	ect the p	permitting or ope	eratio
	there been any change the proposed location		oute including o No	wnership, o	or righto	of- way, which co	ould
• Has tl	he approved source of v	water for drilling	changed?	Yes 📵 N	0		
	there been any physica je in plans from what w						а
• Is boı	nding still in place, whi	ch covers this pr	oposed well?	Yes 🗍	No Ut	proved by the ah Division of Gas and Minin	
Signature:	Eden Fine	Date: 8/11/200	9				
Title:	Permitting Clerk Repres	enting: XTO ENE	RGY INC	D	ate:	August 13, 2009)
	-	_		В	J. L.	12cg/ VV	

	STATE OF UTAH				FORM 9
	DIVISION OF OIL, GAS, AND M		G	5.LEASI ML-36	E DESIGNATION AND SERIAL NUMBER: 213
SUND	RY NOTICES AND REPORT	'S ON	N WELLS	6. IF IN	IDIAN, ALLOTTEE OR TRIBE NAME:
	sals to drill new wells, significantly deep ugged wells, or to drill horizontal laterals			7.UNIT	or CA AGREEMENT NAME:
1. TYPE OF WELL Gas Well				8. WEL I AP 14-	L NAME and NUMBER: -2J
2. NAME OF OPERATOR: XTO ENERGY INC					NUMBER: 401040000
3. ADDRESS OF OPERATOR: 382 Road 3100 , Aztec, NM, 8			UMBER:	9. FIEL ALGER	D and POOL or WILDCAT: R PASS
4. LOCATION OF WELL FOOTAGES AT SURFACE: 0513 FSL 2083 FWL QTR/QTR, SECTION, TOWNSH	IP, RANGE, MERIDIAN:			COUNT UINTA STATE:	
Qtr/Qtr: SESW Section: 02	Township: 11.0S Range: 19.0E Meridia	n: S		UTAH	
11. CHE	CK APPROPRIATE BOXES TO INDIC	CATE N	ATURE OF NOTICE, REPORT	, OR OTI	HER DATA
TYPE OF SUBMISSION			TYPE OF ACTION		
,	☐ ACIDIZE		ALTER CASING		CASING REPAIR
NOTICE OF INTENT Approximate date work will start: 8/5/2011	CHANGE TO PREVIOUS PLANS		CHANGE TUBING		CHANGE WELL NAME
	☐ CHANGE WELL STATUS		COMMINGLE PRODUCING FORMATIONS FRACTURE TREAT		CONVERT WELL TYPE NEW CONSTRUCTION
SUBSEQUENT REPORT Date of Work Completion:	OPERATOR CHANGE		PLUG AND ABANDON		PLUG BACK
	☐ PRODUCTION START OR RESUME		RECLAMATION OF WELL SITE		RECOMPLETE DIFFERENT FORMATION
SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION		SIDETRACK TO REPAIR WELL		TEMPORARY ABANDON
	☐ TUBING REPAIR		VENT OR FLARE		WATER DISPOSAL
DRILLING REPORT Report Date:	☐ WATER SHUTOFF		SI TA STATUS EXTENSION	1	APD EXTENSION
	☐ WILDCAT WELL DETERMINATION		OTHER	отн	<u></u>
	ests a one year extension or referenced well.		State permit for the	, L	Approved by the Jtah Division of I, Gas and Mining August 09, 2010
NAME (PLEASE PRINT) Eden Fine	PHONE NUMBE 505 333-3664	ER	TITLE Permitting Clerk		
SIGNATURE N/A			DATE 8/9/2010		



The Utah Division of Oil, Gas, and Mining

- State of Utah
- Department of Natural Resources

Electronic Permitting System - Sundry Notices

Request for Permit Extension Validation Well Number 43047401040000

API: 43047401040000

Well Name: AP 14-2J

Location: 0513 FSL 2083 FWL QTR SESW SEC 02 TWNP 110S RNG 190E MER S

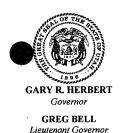
Company Permit Issued to: XTO ENERGY INC

Date Original Permit Issued: 8/5/2008

The undersigned as owner with legal rights to drill on the property as permitted above, hereby verifies that the information as submitted in the previously approved application to drill, remains valid and does not requ

uire revi	sion. Following is a chec	klist o	of some items related to t	he applicat	ion, whic	n should be verified.	
	ated on private land, has ed? 📗 Yes 順 No	the o	wnership changed, if so,	has the sur	face agre	ement been	
	any wells been drilled in requirements for this lo		icinity of the proposed we	ell which w	ould affe	ct the spacing or	
	nere been any unit or oth s proposed well?		reements put in place tha No	nt could affo	ect the pe	ermitting or operatio	n
	there been any changes the proposed location?		e access route including o Yes 📵 No	wnership, d	or rightof	- way, which could	
• Has th	ne approved source of w	ater fo	or drilling changed?	Yes 📵 N	o		
			ges to the surface location cussed at the onsite evalu			ich will require a No	
• Is bor	nding still in place, which	ı cove	ers this proposed well? 🧓	Yes 🗍	No Uta	roved by the h Division of as and Mining	
nature:	Eden Fine	Date:	8/9/2010				
Title:	Permitting Clerk Represe	nting:	XTO ENERGY INC	D	ate:	August 09, 2010	
				D	LOS.	LUNI	

Sig



State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER Executive Director

Division of Oil, Gas and Mining

August 8, 2011 JOHN R. BAZA

Division Director

XTO Energy Inc. 382 Road 3100 Aztec, NM 87410

Re:

APD Rescinded - AP 14-2J, Sec. 2, T.11S, R. 19E

Uintah County, Utah API No. 43-047-40104

Ladies and Gentlemen:

The Application for Permit to Drill (APD) for the subject well was approved by the Division of Oil, Gas and Mining (Division) on August 5, 2008. On August 13, 2009 and August 9, 2010 the Division granted a one-year APD extension. No drilling activity at this location has been reported to the division. Therefore, approval to drill the well is hereby rescinded, effective August 8, 2011.

If any previously unreported operations have been performed on this well location, it is imperative that you notify the Division immediately.

Sincerely,

Environmental Scientist

cc:

Well File

SITLA, Ed Bonner

